

118TH CONGRESS
1ST SESSION

S. 3457

To promote fairness in the sale of event tickets.

IN THE SENATE OF THE UNITED STATES

DECEMBER 7, 2023

Mr. CORNYN (for himself, Ms. KLOBUCHAR, Mrs. BLACKBURN, Mr. WELCH, Mr. WICKER, and Mr. LUJÁN) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

A BILL

To promote fairness in the sale of event tickets.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) **SHORT TITLE.**—This Act may be cited as the
5 “Fans First Act”.

6 (b) **TABLE OF CONTENTS.**—The table of contents of
7 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Definitions.
- Sec. 3. Ensuring ticketing market integrity.
- Sec. 4. Strengthening the BOTS Act.
- Sec. 5. Enforcement by the Commission.
- Sec. 6. Enforcement by States.
- Sec. 7. Severability.

1 **SEC. 2. DEFINITIONS.**

2 In this Act:

3 (1) **AFFIRMATIVE EXPRESS CONSENT.**—The
4 term “affirmative express consent” means an affirm-
5 ative act by a person that clearly communicates that
6 person’s freely given, specific, and unambiguous au-
7 thorization.

8 (2) **ANCILLARY FEE.**—The term “ancillary fee”
9 means any additional charge added to the face value
10 of an event ticket, excluding taxes.

11 (3) **ARTIST.**—The term “artist” means any per-
12 former, musician, comedian, producer, ensemble, or
13 production entity of a theatrical production, sports
14 team owner, or similar individual or entity that con-
15 tracts with an event organizer to put on an event.

16 (4) **CLEARLY AND CONSPICUOUSLY.**—The term
17 “clearly and conspicuously” means, with respect to
18 a disclosure, that the disclosure is displayed in a
19 manner that is difficult to miss and easily under-
20 standable, including in the following ways:

21 (A) In the case of a visual disclosure, its
22 size, contrast, location, the length of time it ap-
23 pears, and other characteristics, stand out from
24 any accompanying text or other visual elements
25 so that it is easily noticed, read, and under-
26 stood.

1 (B) The disclosure must be unavoidable.

2 (C) The disclosure must use diction and
3 syntax understandable to ordinary consumers
4 and must appear in each language in which the
5 representation that requires the disclosure ap-
6 pears.

7 (D) The disclosure must not be contra-
8 dicted or mitigated by, or inconsistent with,
9 anything else in the communication.

10 (5) COMMISSION.—The term “Commission”
11 means the Federal Trade Commission.

12 (6) EVENT.—

13 (A) IN GENERAL.—The term “event”
14 means a live activity described in subparagraph

15 (B)—

16 (i) that is taking place in a venue;

17 (ii) that is open to the general public;

18 and

19 (iii)(I) that is promoted, advertised, or
20 marketed in interstate commerce; or

21 (II) for which event tickets are
22 sold or distributed in interstate com-
23 merce.

24 (B) ACTIVITIES DESCRIBED.—The activi-
25 ties described in this subparagraph are any—

- 1 (i) live concert,
- 2 (ii) theatrical performance;
- 3 (iii) sporting event;
- 4 (iv) comedy show; or
- 5 (v) similarly scheduled activity taking
- 6 place in a venue.

7 (C) EXEMPTED EVENTS.—Such term shall
8 not include a live activity described in subpara-
9 graph (B) that is—

- 10 (i) put on by a religious organization
- 11 for non-commercial purposes;
- 12 (ii) put on by a K–12 school; or
- 13 (iii) a non-sports-related event put on
- 14 by a postsecondary school or not-for-profit
- 15 entity in which the artists are primarily
- 16 students.

17 (7) EVENT ORGANIZER.—The term “event or-
18 ganizer” means, with respect to an event, the person
19 (such as the operator of a venue, the sponsor or pro-
20 moter of an event, a sports team participating in an
21 event or a league whose teams are participating in
22 an event, a theater company, musical group, or simi-
23 lar participant in an event, or an agent for any such
24 person) that—

1 (A) is primarily responsible for the finan-
2 cial risk associated with the event;

3 (B) makes event tickets initially available,
4 including by contracting with a primary seller;
5 and

6 (C)(i) is responsible for organizing, pro-
7 moting, producing, or presenting an event; or

8 (ii) in the case of an event for which tick-
9 ets are sold, holds the rights to present the
10 event.

11 (8) EVENT TICKET.—The term “event ticket”
12 means any manifested physical, electronic, or other
13 form of a certificate, document, voucher, token, or
14 other evidence indicating that a person has—

15 (A) a license to enter an event venue or oc-
16 cupy a particular seat or area in an event venue
17 with respect to one or more events; or

18 (B) an entitlement to purchase such a li-
19 cense with respect to one or more future events.

20 (9) FACE VALUE.—The term “face value”
21 means, with respect to an event ticket, the initial or
22 acquisition price for the primary sale of the event
23 ticket, exclusive of any taxes or ancillary fees.

24 (10) FAN CLUB PROGRAM.—The term “fan club
25 program” means a membership-based program, pri-

1 marily established by venues, artists, or performers
2 to offer pre-sale opportunities offered before public
3 on-sale of tickets.

4 (11) PRIMARY SALE.—The term “primary sale”
5 means, with respect to a particular event ticket, the
6 initial sale of that event ticket by or on behalf of the
7 event organizer, or the sale of an event ticket that
8 was returned to the primary seller or event organizer
9 after its initial sale and is sold by or on behalf of
10 the event organizer under the same terms as such
11 initial sale.

12 (12) PRIMARY SELLER.—The term “primary
13 seller” means, with respect to an event ticket, any
14 person who has the right to sell the event ticket
15 prior to or at the primary sale of the ticket, includ-
16 ing the event organizer, or any person that provides
17 services to conduct or facilitate the primary sale of
18 event tickets by or on behalf of the event organizer.

19 (13) RESELLER.—The term “reseller” means a
20 person who sells or offers for sale, other than
21 through a primary sale, an event ticket. That a re-
22 seller is also an event organizer or a primary seller
23 does not exempt the reseller from this definition.

24 (14) SECONDARY SALE.—The term “secondary
25 sale” means any sale of an event ticket other than

1 the primary sale of the event ticket, and does not in-
2 clude the sale of a ticket returned to a primary sell-
3 er.

4 (15) SECONDARY TICKETING EXCHANGE.— The
5 term “secondary ticketing exchange” means any
6 website, software application, or other digital plat-
7 form that facilitates or executes the secondary sale
8 of an event ticket. That a secondary ticketing ex-
9 change is also an event organizer or a primary seller
10 does not exempt the secondary ticketing exchange
11 from this definition.

12 (16) SELLER.—The term “seller” means any
13 primary seller, secondary ticketing exchange, re-
14 seller, or any person that sells or makes available for
15 sale an event ticket to the public.

16 (17) TOTAL EVENT TICKET PRICE.—The term
17 “total event ticket price” means, with respect to an
18 event ticket, the total cost of the event ticket, includ-
19 ing the face value price and any ancillary fees but
20 excluding taxes.

21 (18) URL.—The term “URL” means the Uni-
22 form Resource Locator associated with an internet
23 website.

24 (19) VENUE.—The term “venue” means a
25 physical space at which an event takes place.

1 **SEC. 3. ENSURING TICKETING MARKET INTEGRITY.**

2 (a) BAN ON DECEPTIVE URLS AND IMPROPER USE
3 OF INTELLECTUAL PROPERTY.—

4 (1) IN GENERAL.—It shall be unlawful for a
5 secondary ticketing exchange or reseller, or the oper-
6 ator of any website purporting to sell or offer for
7 sale event tickets that links or redirects to a sec-
8 ondary ticketing exchange or reseller, to—

9 (A) use any artist name, venue name, or
10 event organizer name, graphic, marketing logo,
11 image or other intellectual property of the art-
12 ist, venue, or event organizer including any pro-
13 prietary resemblance of the venue where an
14 event shall occur in promotional materials, so-
15 cial media promotions, or URLs of the sec-
16 ondary ticketing exchange, reseller, or website
17 without the prior authorization of the respective
18 artist, venue, or event organizer under the
19 terms of agreement between the artist, venue,
20 or event organizer and the secondary ticketing
21 exchange, reseller, or website; or

22 (B) state or imply that the secondary
23 ticketing exchange, reseller, or website is affili-
24 ated with or endorsed by a venue, team, or art-
25 ist, as applicable, including by using words like
26 “official” in promotional materials, social media

1 promotions, search engine optimization, paid
2 advertising, URLs, or search engine monetiza-
3 tion unless the secondary ticketing exchange,
4 reseller, or website has the express written con-
5 sent of the venue, team, or artist, as applicable.

6 (2) PERMITTED USE.—Paragraph (1) shall not
7 prohibit a secondary ticketing exchange or reseller
8 from using text containing the name of an artist,
9 venue, or event organizers to describe an event and
10 identify the location at which the event will occur, or
11 provide information identifying the space within the
12 venue that an event ticket would entitle the bearer
13 to occupy for an event.

14 (b) SPECULATIVE TICKETING BAN.—

15 (1) IN GENERAL.—It shall be unlawful for a re-
16 seller to sell, offer for sale, or advertise for sale an
17 event ticket unless the seller has actual or construc-
18 tive possession of the event ticket.

19 (2) RULE OF CONSTRUCTION.—Nothing in this
20 subsection shall be construed to prohibit any person
21 from offering a service to a consumer to obtain an
22 event ticket on behalf of the consumer provided that
23 the person—

24 (A) does not market or list such service as
25 an event ticket;

1 (B) lists the price for such service sepa-
2 rately from the total event ticket price paid by
3 the service provider for the event ticket in any
4 advertisement, marketing, price list, social
5 media promotion, or other interface that dis-
6 plays a price for such service;

7 (C) maintains a clear, distinct, and easily
8 discernible separation between such service and
9 event tickets through unavoidable visual demar-
10 cation that persists throughout the entire serv-
11 ice selection and purchasing process;

12 (D) clearly and conspicuously discloses
13 prior to selection of the service that such serv-
14 ice is not an event ticket and that the purchase
15 of such service does not guarantee a ticket to
16 such event;

17 (E) shall not obtain tickets through any
18 fan club program;

19 (F) shall not obtain more tickets in each
20 transaction than the numerical limitations for
21 tickets set by the venue and artist for each re-
22 spective event; and

23 (G) in the event the service is unable to
24 obtain the specified event ticket purchased
25 through the service for the consumer, provides

1 the consumer that purchased the service, within
2 a reasonable amount of time—

3 (i) a full refund for the total cost of
4 the service to obtain an event ticket on be-
5 half of the consumer; or

6 (ii) subject to availability, a replace-
7 ment event ticket in the same or a com-
8 parable location with the approval of the
9 consumer.

10 (c) REQUIREMENTS FOR THE SALE OF EVENT TICK-
11 ETS.—It shall be unlawful for any seller to sell or offer
12 for sale an event ticket in or affecting commerce, unless
13 the seller does the following:

14 (1) ALL-IN PRICING.—The seller clearly and
15 conspicuously—

16 (A) displays the total event ticket price in
17 any advertisement, marketing, price list, social
18 media promotion, or other interface that dis-
19 plays a price for the event ticket; and

20 (B) discloses to any individual who seeks
21 to purchase an event ticket the total event tick-
22 et price at the time the ticket is first displayed
23 to the individual and anytime thereafter
24 throughout the ticket purchasing process, in-
25 cluding an itemized breakdown of the face value

1 of the event ticket and all applicable taxes and
2 ancillary fees.

3 (2) TICKET AND REFUND INFORMATION.—The
4 seller discloses to any individual who seeks to pur-
5 chase an event ticket—

6 (A) the space within the venue that the
7 event ticket would entitle the bearer to occupy
8 for the event, whether that is general admission
9 or the specific seat or section, at the initial
10 point of ticket selection by the purchaser;

11 (B) the seller's refund policies and how to
12 obtain a refund from the seller if—

13 (i) the purchaser receives an event
14 ticket that does not match the description
15 of the ticket provided to the purchaser at
16 the point of purchase;

17 (ii) the event is canceled or postponed;

18 (iii) the event ticket does not or would
19 not grant the purchaser admission to the
20 event;

21 (iv) the event ticket is counterfeit; or

22 (v) the event ticket was resold in vio-
23 lation of the terms and conditions estab-
24 lished by the event organizer or its primary
25 seller;

1 (C) the date and means of delivery by
2 which the event ticket will be delivered to the
3 purchaser;

4 (D) any restrictions on resale of the event
5 ticket under the terms and conditions of the
6 event ticket; and

7 (E) a link to the website created by the
8 Commission under section 5(d) through which
9 individuals may report violations of this Act to
10 the Commission.

11 (3) DISCLOSURE OF TERMS AND CONDI-
12 TIONS.—The seller discloses or provides a link to the
13 full terms and conditions of the event ticket to any
14 individual who seeks to purchase an event ticket
15 prior to the point of purchase.

16 (4) PROOF OF PURCHASE.—If the event ticket
17 is an electronic ticket, the seller delivers written
18 proof of purchase to the purchaser as soon as is
19 practicable and no later than 24 hours following the
20 purchase of the event ticket, which shall include—

21 (A) the date and time of the purchase of
22 the event ticket;

23 (B) the face value and total purchase price
24 of the event ticket, including all taxes and ancil-
25 lary fees;

1 (C) the space within the venue that the
2 event ticket would entitle the bearer to occupy
3 for the event, whether that is general admission
4 or the specific seat or section;

5 (D) the date on which and the means by
6 which the event ticket will be delivered to the
7 purchaser; and

8 (E) any restrictions on resale of the event
9 ticket under the terms and conditions of the
10 event ticket.

11 (5) REFUND REQUIREMENTS.—

12 (A) IN GENERAL.—In the event of an
13 event cancellation, a seller shall provide a pur-
14 chaser of an event ticket from that seller, at the
15 option of the purchaser, at a minimum a full
16 refund of the total event ticket price plus any
17 taxes paid by the purchaser.

18 (B) EXCEPTION.—Subparagraph (A) shall
19 not apply where an event is canceled due to a
20 cause beyond the reasonable control of the
21 event organizer, including a natural disaster,
22 civil disturbance, or otherwise unforeseeable im-
23 pediment.

24 (d) ADDITIONAL REQUIREMENTS FOR SECONDARY
25 SALES.—

1 (1) DISCLOSURES TO ARTIST AND VENUE.—

2 (A) IN GENERAL.—A secondary ticketing
3 exchange shall, in connection with each sec-
4 ondary sale of an event ticket facilitated or exe-
5 cuted by the exchange, provide at a minimum
6 the ticket purchaser the option to opt-in by af-
7 firmative express consent to provide the artist
8 and venue the purchaser’s name, email address,
9 and phone number for the sole purposes of—

10 (i) ensuring the safety and security of
11 the artist, venue staff or property, event
12 attendees, or any other individual or prop-
13 erty associated with the event; or

14 (ii) allowing the artist or venue to
15 provide the purchaser with information
16 about event postponements or cancella-
17 tions.

18 (B) PROVISION OF INFORMATION.—If a
19 purchaser provides the affirmative express con-
20 sent described in subparagraph (A) to a sec-
21 ondary ticketing exchange, the exchange shall
22 provide the information described in such sub-
23 paragraph to the artist and venue.

24 (C) PROHIBITION ON UNAUTHORIZED
25 USES.—It shall be unlawful for an artist or

1 venue to use information disclosed to the artist
2 or venue in accordance with this paragraph
3 from any purpose other than the purposes de-
4 scribed in clauses (i) and (ii) of subparagraph
5 (A), including for promotional purposes.

6 (D) RULE OF CONSTRUCTION.—Nothing in
7 this paragraph shall be construed to conflict
8 with or preempt existing data privacy laws.

9 (2) NOTICE OF SECONDARY SALE.—It shall be
10 unlawful for a secondary ticketing exchange to—

11 (A) facilitate or execute the secondary sale
12 of an event ticket unless the secondary ticketing
13 exchange clearly and conspicuously discloses—

14 (i) that it is not the primary seller of
15 the event ticket at the top of its website,
16 or at a comparable appropriate place on its
17 software application or other digital plat-
18 form, and at the point of purchase; or

19 (ii) if the secondary ticketing ex-
20 change also operates as the primary seller
21 with respect to the event ticket, a notice on
22 any page or interface that facilitates the
23 resale of event tickets, that event tickets
24 available on the page or interface are being
25 resold;

1 (B) receive the exclusive right to use the
2 artist name, venue name, event organizer name,
3 graphic, marketing logo, image or other intellec-
4 tual property of the artist, venue, or event orga-
5 nizer in promotional materials, social media
6 promotions, search engine optimization, or in
7 any marketing agreement between the artist,
8 venue, or event organizer and the secondary
9 ticketing exchange, if the secondary ticketing
10 exchange is owned by, controlled by, or under
11 common ownership or control with a person
12 that also operates as a primary seller or event
13 organizer; or

14 (C) advertise or represent that it is the
15 primary seller of an event for which it is not
16 the primary seller.

17 (e) GAO STUDIES OF TICKETING MARKET PRAC-
18 TICES.—

19 (1) IN GENERAL.—One year after the date of
20 enactment of this Act, the Comptroller General of
21 the United States shall release a study on the event
22 ticket market.

23 (2) CONTENTS OF STUDY.—The study required
24 under paragraph (1) shall include—

1 (A) an assessment of how professional re-
2 sellers obtain event tickets that are subse-
3 quently offered for resale, including whether
4 those methods violate the BOTS Act (Public
5 Law 114–274);

6 (B) an assessment of event ticket brokers
7 obtaining tickets through fan club, venue pre
8 sales, or credit card rewards programs;

9 (C) an assessment of the prevalence of
10 counterfeit or fraudulently sold event tickets
11 and whether incidents of counterfeit or fraudu-
12 lently sold event tickets are reported to law en-
13 forcement agencies by consumers, venues, sell-
14 ers, or other entities;

15 (D) an assessment of the incidence of con-
16 sumers purchasing event tickets on secondary
17 ticketing exchanges who are subsequently de-
18 nied entry to the event for which they pur-
19 chased event tickets;

20 (E) an assessment of the percentage of
21 event tickets to events that are acquired by pro-
22 fessional resellers for purposes of resale;

23 (F) an assessment of the average cost of
24 event tickets in relation to their face value and
25 total event ticket price;

1 (G) an assessment of the average cost of
2 concert event tickets sold on the secondary mar-
3 ket in relation to their face value and total
4 event ticket price;

5 (H) an assessment of the average cost of
6 event tickets in relation to their face value, an-
7 cillary fees and total event ticket price in both
8 the primary and secondary markets;

9 (I) an assessment of primary and sec-
10 ondary exchange market share, including an es-
11 timate of how many tickets are purchased and
12 resold on the same platform and average fees
13 generated in closed-loop ticket resale;

14 (J) an assessment of the overall size of the
15 resale market, including percentage of tickets
16 resold and the total monetary volume of the re-
17 sale market;

18 (K) an assessment of consumer use of the
19 resale market, including how often ordinary
20 consumers who intended to go to an event had
21 to resell event tickets and what percentage of
22 face value their event tickets sold for;

23 (L) an assessment of the prevalence of ex-
24 clusive contracts between a primary seller and
25 any venue or artist, including the effect of such

1 exclusive contracts on the market for primary
2 seller services, taking into account averages for
3 events of various types (including but not lim-
4 ited to sports, concerts, fine arts performances)
5 and venues (including but not limited to sta-
6 diums, amphitheaters, concert halls, clubs);

7 (M) an assessment of event ticket alloca-
8 tion by primary sellers, including the effect of
9 event ticket allocation on event ticket prices,
10 taking into account averages for events of var-
11 ious types (including but not limited to sports,
12 concerts, fine arts performances) and venues
13 (including but not limited to stadiums, amphi-
14 theaters, concert halls, clubs);

15 (N) an assessment of secondary ticketing
16 exchanges and event ticket brokers offering
17 services to a consumer to obtain an event ticket
18 on behalf of the consumer, including but not
19 limited to whether the platforms and brokers
20 are deploying unfair, unethical, or illegal tactics
21 to acquire such tickets and prevent fans from
22 accessing them at face value;

23 (O) an assessment of market manipulation
24 techniques employed by professional resellers,
25 including but not limited to “buy and hold”

1 strategies where event tickets purchased for re-
2 sale are not listed for sale to affect secondary
3 event ticket prices; and

4 (P) an assessment of the prevalence of ex-
5 clusive national touring arrangements between
6 promoters and artists and an assessment of art-
7 ists represented by managers under shared
8 ownership with promoters and ticketing compa-
9 nies, including how often those artists utilize
10 the services of companies under shared owner-
11 ship, including ticketing, event organizing, mer-
12 chandising and venue rental.

13 **SEC. 4. STRENGTHENING THE BOTS ACT.**

14 (a) IN GENERAL.—Section 2 of the Better Online
15 Ticket Sales Act of 2016 (15 U.S.C. 45c) is amended—

16 (1) in subsection (a)(1)—

17 (A) in subparagraph (A), by striking “;
18 or” and inserting a semicolon;

19 (B) in subparagraph (B), by striking the
20 period at the end and inserting “; or”; and

21 (C) by adding at the end the following new
22 subparagraph:

23 “(C) to use or cause to be used an applica-
24 tion that performs automated tasks to purchase
25 event tickets from an internet website or online

1 service in circumvention of posted online ticket
2 purchasing order rules of the internet website
3 or online service, including a software applica-
4 tion that circumvents an access control system,
5 security measure, or other technological control
6 or measure.”;

7 (2) by redesignating subsections (b) and (c) as
8 subsections (c) and (d), respectively;

9 (3) by inserting after subsection (a) the fol-
10 lowing new subsection:

11 “(b) REQUIRING ONLINE TICKET ISSUERS TO PUT
12 IN PLACE SITE POLICIES AND ESTABLISH SAFEGUARDS
13 TO PROTECT SITE SECURITY.—

14 “(1) REQUIREMENT TO ENFORCE SITE POLI-
15 CIES.—Each ticket issuer that owns or operates an
16 internet website or online service that facilitates or
17 executes the sale of event tickets shall ensure that
18 such website or service has in place an access control
19 system, security measure, or other technological con-
20 trol or measure to enforce posted event ticket pur-
21 chasing limits.

22 “(2) REQUIREMENT TO ESTABLISH SITE SECUR-
23 ITY SAFEGUARDS.—

24 “(A) IN GENERAL.—Each ticket issuer
25 that owns or operates an internet website or on-

1 line service that facilitates or executes the sale
2 of event tickets shall establish, implement, and
3 maintain reasonable administrative, technical,
4 and physical safeguards to protect the security,
5 confidentiality, integrity, or availability of the
6 website or service.

7 “(B) CONSIDERATIONS.—In establishing
8 the safeguards described in subparagraph (A),
9 each ticket issuer described in such paragraph
10 shall consider—

11 “(i) the administrative, technical, and
12 physical safeguards that are appropriate to
13 the size and complexity of the ticket issuer;

14 “(ii) the nature and scope of the ac-
15 tivities of the ticket issuer;

16 “(iii) the sensitivity of any customer
17 information at issue; and

18 “(iv) the range of security risks and
19 vulnerabilities that are reasonably foresee-
20 able or known to the ticket issuer.

21 “(C) THIRD PARTIES AND SERVICE PRO-
22 VIDERS.—

23 “(i) IN GENERAL.—Where applicable,
24 a ticket issuer that owns or operates an
25 internet website or online service that fa-

1 facilitates or executes the sale of event tick-
2 ets shall implement and maintain proce-
3 dures to require that any third party or
4 service provider that performs services with
5 respect to the sale of event tickets or has
6 access to data regarding event ticket pur-
7 chasing on the website or service maintains
8 reasonable administrative, technical, and
9 physical safeguards to protect the security
10 and integrity of the website or service and
11 that data.

12 “(ii) OVERSIGHT PROCEDURE RE-
13 QUIREMENTS.—The procedures imple-
14 mented and maintained by a ticket issuer
15 in accordance with clause (i) shall include
16 the following:

17 “(I) Taking reasonable steps to
18 select and retain service providers
19 that are capable of maintaining ap-
20 propriate safeguards for the customer
21 information at issue.

22 “(II) Requiring service providers
23 by contract to implement and main-
24 tain adequate safeguards.

1 “(III) Periodically assessing serv-
2 ice providers based on the risk they
3 present and the continued adequacy of
4 their safeguards.

5 “(D) UPDATES.—A ticket issuer that owns
6 or operates an internet website or online service
7 that facilitates or executes the sale of event
8 tickets shall regularly evaluate and make ad-
9 justments to the safeguards described in sub-
10 paragraph (A) in light of any material changes
11 in technology, internal or external threats to
12 system security, confidentiality, integrity, and
13 availability, and the changing business arrange-
14 ments or operations of the ticket issuer.

15 “(3) REQUIREMENT TO REPORT INCIDENTS OF
16 CIRCUMVENTION; CONSUMER COMPLAINTS.—

17 “(A) IN GENERAL.—A ticket issuer that
18 owns or operates an internet website or online
19 service that facilitates or executes the sale of
20 event tickets shall report to the Commission
21 any incidents of circumvention of which the
22 ticket issuer has actual knowledge.

23 “(B) CONSUMER COMPLAINT WEBSITE.—
24 Not later than 180 days after the date of enact-
25 ment of the Fans First Act, the Commission

1 shall create a publicly available website (or
2 modify an existing publicly available website of
3 the Commission) to allow individuals to report
4 violations of this subsection to the Commission.

5 “(C) REPORTING TIMELINE AND PROC-
6 ESS.—

7 “(i) TIMELINE.—A ticket issuer shall
8 report known incidents of circumvention
9 within a reasonable period of time after
10 the incident of circumvention is discovered
11 by the ticket issuer, and in no case later
12 than 30 days after an incident of cir-
13 cumvention is discovered by the ticket
14 issuer.

15 “(ii) AUTOMATED SUBMISSION.—The
16 Commission may establish a reporting
17 mechanism to provide for the automatic
18 submission of reports required under this
19 subsection.

20 “(iii) COORDINATION WITH STATE AT-
21 TORNEYS GENERAL.—The Commission
22 shall—

23 “(I) share reports received from
24 ticket issuers under subparagraph (A)

1 with State attorneys general as appro-
2 priate; and

3 “(II) share consumer complaints
4 submitted through the website estab-
5 lished under subparagraph (B) with
6 State attorneys general as appro-
7 priate.

8 “(4) DUTY TO ADDRESS CAUSES OF CIR-
9 CUMVENTION.—A ticket issuer that owns or operates
10 an internet website or online service that facilitates
11 or executes the sale of event tickets must take rea-
12 sonable steps to improve its access control systems,
13 security measures, and other technological controls
14 or measures to address any incidents of circumven-
15 tion of which the ticket issuer has actual knowledge.

16 “(5) FTC GUIDANCE.—Not later than 1 year
17 after the date of enactment of the Fans First Act,
18 the Commission shall publish guidance for ticket
19 issuers on compliance with the requirements of this
20 subsection.”;

21 (4) in subsection (c), as redesignated by para-
22 graph (1) of this subsection—

23 (A) by striking “subsection (a)” each place
24 it appears and inserting “subsection (a) or (b)”;

25 (B) in paragraph (2)—

1 (i) in subparagraph (A), by striking
2 “The Commission” and inserting “Except
3 as provided in paragraph (3), the Commis-
4 sion”; and

5 (ii) in subparagraph (B), by striking
6 “Any person” and inserting “Subject to
7 paragraph (3), any person”; and

8 (C) by adding at the end the following new
9 paragraphs:

10 “(3) CIVIL ACTION.—

11 “(A) IN GENERAL.—If the Commission has
12 reason to believe that any person has committed
13 a violation of subsection (a) or (b), the Commis-
14 sion may bring a civil action in an appropriate
15 district court of the United States to—

16 “(i) recover a civil penalty under
17 paragraph (4); and

18 “(ii) seek other appropriate relief, in-
19 cluding injunctive relief and other equi-
20 table relief.

21 “(B) LITIGATION AUTHORITY.—Except as
22 otherwise provided in section 16(a)(3) of the
23 Federal Trade Commission Act (15 U.S.C.
24 56(a)(3)), the Commission shall have exclusive
25 authority to commence or defend, and supervise

1 the litigation of, any civil action authorized
2 under this paragraph and any appeal of such
3 action in its own name by any of its attorneys
4 designated by it for such purpose, unless the
5 Commission authorizes the Attorney General to
6 do so. The Commission shall inform the Attor-
7 ney General of the exercise of such authority
8 and such exercise shall not preclude the Attor-
9 ney General from intervening on behalf of the
10 United States in such action and any appeal of
11 such action as may be otherwise provided by
12 law.

13 “(C) RULE OF CONSTRUCTION.—Any civil
14 penalty or relief sought through a civil action
15 under this paragraph shall be in addition to
16 other penalties and relief as may be prescribed
17 by law.

18 “(4) CIVIL PENALTIES.—

19 “(A) IN GENERAL.—Any person who vio-
20 lates subsection (a) or (b) shall be liable for—

21 “(i) a civil penalty of not less than
22 \$10,000 for each day during which the vio-
23 lation occurs or continues to occur; and

24 “(ii) an additional civil penalty of not
25 less than \$1,000 per violation.

1 “(B) ENHANCED CIVIL PENALTY FOR IN-
2 TENTIONAL VIOLATIONS.—In addition to the
3 civil penalties under subparagraph (A), a per-
4 son that intentionally violates subsection (a) or
5 (b) shall be liable for a civil penalty of not less
6 than \$10,000 per violation.”;

7 (5) in subsection (d), as redesignated by para-
8 graph (1) of this subsection, by striking “subsection
9 (a)” each place it appears and inserting “subsection
10 (a) or (b)”;

11 (6) by adding at the end the following new sub-
12 sections:

13 “(e) LAW ENFORCEMENT COORDINATION.—

14 “(1) IN GENERAL.—The Federal Bureau of In-
15 vestigation, the Department of Justice, and other
16 relevant State or local law enforcement officials shall
17 coordinate as appropriate with the Commission to
18 share information about known instances of
19 cyberattacks on security measures, access control
20 systems, or other technological controls or measures
21 on an internet website or online service that are
22 used by ticket issuers to enforce posted event ticket
23 purchasing limits or to maintain the integrity of
24 posted online ticket purchasing order rules. Such co-
25 ordination may include providing information about

1 ongoing investigations but may exclude classified in-
2 formation or information that could compromise a
3 law enforcement or national security effort, as ap-
4 propriate.

5 “(2) CYBERATTACK DEFINED.—In this para-
6 graph, the term ‘cyberattack’ means an attack, via
7 cyberspace, targeting an enterprise’s use of cyber-
8 space for the purpose of—

9 “(A) disrupting, disabling, destroying, or
10 maliciously controlling a computing environ-
11 ment or computing infrastructure; or

12 “(B) destroying the integrity of data or
13 stealing controlled information.

14 “(f) CONGRESSIONAL REPORT.—Not later than 1
15 year after the date of enactment of this paragraph, the
16 Commission shall report to Committee on Commerce,
17 Science, and Transportation of the Senate and the Com-
18 mittee on Energy and Commerce of the House of Rep-
19 resentatives on the status of enforcement actions taken
20 pursuant to this Act, as well as any identified limitations
21 to the Commission’s ability to pursue incidents of cir-
22 cumvention described in subsection (a)(1)(A).”.

23 (b) ADDITIONAL DEFINITION.—Section 3 of the Bet-
24 ter Online Ticket Sales Act of 2016 (15 U.S.C. 45c note)

1 is amended by adding at the end the following new para-
2 graph:

3 “(4) CIRCUMVENTION.—The term ‘circumven-
4 tion’ means the act of avoiding, bypassing, removing,
5 deactivating, or otherwise impairing an access con-
6 trol system, security measure, safeguard, or other
7 technological control or measure described in section
8 2(b)(1).”.

9 **SEC. 5. ENFORCEMENT BY THE COMMISSION.**

10 (a) FTC ACT VIOLATION.—Any person who violates
11 section 3 of this Act shall be liable for engaging in an
12 unfair or deceptive act or practice under section 5(a)(1)
13 of the Federal Trade Commission Act (15 U.S.C.
14 45(a)(1)).

15 (b) CIVIL ACTION.—If the Commission has reason to
16 believe that any person has violated section 3 of this Act,
17 the Commission may bring a civil action in an appropriate
18 district court of the United States to—

19 (1) recover a civil penalty under subsection (c);

20 and

21 (2) seek other appropriate relief, including in-
22 junctive relief.

23 (c) CIVIL PENALTY.—

24 (1) IN GENERAL.—Any person who violates sec-
25 tion 3 of this Act shall be liable for—

1 (A) a civil penalty of at least \$15,000 for
2 each day during which the violation occurs or
3 continues to occur; and

4 (B) an additional civil penalty equal to the
5 greater of—

6 (i) \$1,000 per event ticket advertised,
7 listed, sold, or resold in violation of this
8 Act; or

9 (ii) an amount equal to the sum of the
10 total event ticket prices for each event tick-
11 et listed or sold in violation of this Act,
12 multiplied by 5.

13 (2) ENHANCED CIVIL PENALTY FOR INTEN-
14 TIONAL VIOLATIONS.—In addition to the civil pen-
15 alty under paragraph (1), a person that intentionally
16 violates section 3 of this Act shall be liable for a civil
17 penalty of at least \$10,000 per event ticket sold or
18 resold in violation of this Act.

19 (d) COMPLAINT WEBSITE.—

20 (1) IN GENERAL.—Not later than 180 days
21 after the date of enactment of this Act, the Commis-
22 sion shall create a publicly available website where
23 individuals may report violations of this Act.

24 (2) COOPERATION WITH STATE AGS.—As ap-
25 propriate, the Commission shall share reports re-

1 ceived through the website created under paragraph
2 (1) with State attorneys general.

3 (e) FTC REPORT.—The Commission shall report an-
4 nually to Congress on enforcement metrics, activity, and
5 effectiveness under this Act.

6 **SEC. 6. ENFORCEMENT BY STATES.**

7 (a) IN GENERAL.—In any case in which the attorney
8 general of a State has reason to believe that an interest
9 of the residents of the State has been or is threatened
10 or adversely affected by the engagement of any person in
11 a practice that violates section 3 of this Act, the attorney
12 general of the State may, as *parens patriae*, bring a civil
13 action on behalf of the residents of the State in an appro-
14 priate district court of the United States—

15 (1) to enjoin further violation of such provision
16 by such person;

17 (2) to compel compliance with such provision;
18 and

19 (3) to obtain damages, restitution, or other
20 compensation on behalf of such residents.

21 (b) INVESTIGATORY POWERS.—Nothing in this sec-
22 tion may be construed to prevent the attorney general of
23 a State from exercising the powers conferred on the attor-
24 ney general by the laws of the State to conduct investiga-
25 tions, to administer oaths or affirmations, or to compel

1 the attendance of witnesses or the production of documen-
2 tary or other evidence.

3 (c) VENUE; SERVICE OF PROCESS.—

4 (1) VENUE.—Any action brought under sub-
5 section (a) may be brought in—

6 (A) the district court of the United States
7 that meets applicable requirements relating to
8 venue under section 1391 of title 28, United
9 States Code; or

10 (B) another court of competent jurisdic-
11 tion.

12 (2) SERVICE OF PROCESS.—In an action
13 brought under subsection (a), process may be served
14 in any district in which the defendant—

15 (A) is an inhabitant; or

16 (B) may be found.

17 (d) ACTIONS BY OTHER STATE OFFICIALS.—

18 (1) IN GENERAL.—In addition to civil actions
19 brought by attorneys general under subsection (a),
20 any other consumer protection officer of a State who
21 is authorized by the State to do so may bring a civil
22 action under subsection (a), subject to the same re-
23 quirements and limitations that apply under this
24 subsection to civil actions brought by attorneys gen-
25 eral.

1 (2) SAVINGS PROVISION.—Nothing in this sec-
2 tion may be construed to prohibit an authorized offi-
3 cial of a State from initiating or continuing any pro-
4 ceeding in a court of the State for a violation of any
5 civil or criminal law of the State.

6 **SEC. 7. SEVERABILITY.**

7 If any provision of this Act, or the application of such
8 provision to any person or circumstance is held to be un-
9 constitutional, the remainder of this Act and of the
10 amendments made by this Act, and the application of the
11 remaining provisions of this Act and amendments to any
12 person or circumstance, shall not be affected.

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