

This Document can be made available in alternative formats upon request

State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 1989

02/20/2023 Authored by Moller, Stephenson, Greenman, Pérez-Vega, Kotyza-Witthuhn and others
The bill was read for the first time and referred to the Committee on Commerce Finance and Policy
03/02/2023 Adoption of Report: Amended and re-referred to the Committee on Judiciary Finance and Civil Law

1.1 A bill for an act
1.2 relating to consumer protection; regulating ticket sales to places of entertainment;
1.3 providing for civil penalties; proposing coding for new law in Minnesota Statutes,
1.4 chapter 325F.

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

1.6 Section 1. 325F.676 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.

1.13 (c) "Online ticket marketplace" means the administrator of a website or other electronic
1.14 service that sells or resells tickets or serves as a platform to facilitate the sale or resale of
1.15 tickets.

1.16 (d) "Operator" means a person, including an agent or assignee, who owns, operates, or
1.17 controls a place of entertainment or who promotes or produces entertainment. Operator
1.18 does not include a nonprofit corporation organized under the laws of this or another state,
1.19 a charitable trust, and any other entity that qualifies as tax exempt under section 501(c)(3)
1.20 of the Internal Revenue Code, as amended.

1.21 (e) "Place of entertainment" means a privately or publicly owned and operated
1.22 entertainment facility, including but not limited to an amphitheater, theater, stadium, arena,

2.1 racetrack, museum, amusement park, or other place where performances, concerts, exhibits,
2.2 athletic games, or contests, are held for which an entry fee is charged.

2.3 (f) "Ticket reseller" means a person who sells tickets for entrance to a place of
2.4 entertainment located in this state. Sales by a ticket reseller includes sales by any means,
2.5 including but not limited to in person or by telephone, mail, delivery service, facsimile,
2.6 Internet, email, or other electronic means. A ticket reseller does not include a person who
2.7 purchases a ticket solely for their own use or the use of their invitees, employees, or agents,
2.8 or who purchases a ticket on behalf of others and resells the ticket to invitees, employees,
2.9 agents, or others at or less than the face value.

2.10 Subd. 2. **Disclosures.** (a) An operator, ticket reseller, or online ticket marketplace shall
2.11 disclose in an easily readable and conspicuous manner the total cost of the ticket, inclusive
2.12 of all ancillary fees that must be paid in order to purchase the ticket, and the portion of the
2.13 ticket price stated in dollars that represents a service charge, and any other fee or surcharge
2.14 to the purchaser. Disclosure of the total cost and fees must be displayed in the ticket listing
2.15 prior to the ticket being selected for purchase. Disclosure of subtotals, fees, charges, and
2.16 all other components of the total price shall not be false or misleading, and shall not be
2.17 presented more prominently or in the same or larger size than the total price. The price of
2.18 a ticket must not increase after the ticket is selected for purchase, excluding reasonable fees
2.19 for the delivery of nonelectronic tickets based on the delivery method selected by the user,
2.20 which must be disclosed prior to accepting payment.

2.21 (b) An online ticket marketplace shall disclose in an easily readable and conspicuous
2.22 manner on its website:

2.23 (1) that the website is for the secondary sale of a ticket and that the price of the ticket
2.24 offered for sale may exceed its face value; and

2.25 (2) the refund policy of the marketplace in connection with the cancellation or
2.26 postponement of an event.

2.27 An online ticket marketplace must require that a user confirm having read the disclosures
2.28 required by this paragraph before completing a transaction.

2.29 (c) An online ticket marketplace must disclose in an easily readable and conspicuous
2.30 manner the face value of a ticket prior to the user completing a transaction.

2.31 (d) An online ticket marketplace must disclose in an easily readable and conspicuous
2.32 manner that the website belongs to a ticket reseller.

3.1 (e) An online ticket marketplace must not use any combination of text, images, web
3.2 designs, or Internet addresses that is substantially similar to the Internet website of an
3.3 operator or a place of entertainment without the written permission of the operator.

3.4 Subd. 3. Fees. A ticket reseller and online ticket marketplace must calculate fees and
3.5 charges for a ticket based on the percentage of the lesser of: (1) the face value of the ticket;
3.6 or (2) the cost of the ticket without fees and charges when sold by a ticket reseller or online
3.7 ticket marketplace.

3.8 Subd. 4. Prohibitions. (a) A ticket reseller shall not:

3.9 (1) resell more than one copy of the same ticket to a place of entertainment;

3.10 (2) employ another person directly or indirectly to wait in line to purchase tickets for
3.11 the purpose of reselling the tickets if the practice is prohibited by an operator or if the place
3.12 of entertainment has posted a policy prohibiting the practice; or

3.13 (3) resell a ticket without first informing the purchaser of the location of the place of
3.14 entertainment or, if there is no assigned seat, the general admission area to which the ticket
3.15 corresponds, including but not limited to the row and section number of the ticket.

3.16 (b) A ticket reseller shall not resell a ticket before the ticket has been made available to
3.17 the public, including via presale, without first obtaining permission from the operator.

3.18 (c) A person shall not:

3.19 (1) circumvent any portion of the process for purchasing a ticket on the Internet, including
3.20 but not limited to security or identity validation measures or an access control system; or

3.21 (2) disguise the identity of a purchaser for the purpose of purchasing a number of tickets
3.22 for admission to a place of entertainment that exceeds the maximum number of tickets
3.23 allowed for purchase by a person.

3.24 (d) A person shall not resell a ticket obtained in violation of paragraph (c) if the person:

3.25 (1) participated in or had the ability to control the conduct committed in violation of
3.26 paragraph (c); or

3.27 (2) knew that the ticket was acquired in violation of paragraph (c).

3.28 (e) An operator or ticket reseller shall not resell a ticket unless:

3.29 (1) the ticket is in the possession or constructive possession of the operator or ticket
3.30 reseller; or

3.31 (2) the ticket reseller has a written contract with the operator to obtain the ticket.

4.1 Subd. 5. **Private right of action.** A purchaser injured by a violation of this section shall
4.2 have a private right of action and the court shall award:

4.3 (1) actual, incidental, and consequential damages;

4.4 (2) statutory damages equal to the amount paid for the ticket; and

4.5 (3) court costs and reasonable attorney fees.

4.6 **EFFECTIVE DATE.** This section is effective July 1, 2023, and applies to tickets sold
4.7 on or after that date.