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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
- 02/22/2024 Adoption of Report: Amended and re-referred to the Committee on Commerce Finance and Policy

1.1 A bill for an act

1.2 relating to consumer protection; regulating ticket sales to places of entertainment;

1.3 proposing coding for new law in Minnesota Statutes, chapter 325F.

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

1.5 Section 1. 325F.676 **TICKET SALES.**

1.6 Subdivision 1. Definitions. (a) For the purposes of this section, the following terms have

1.7 the meanings given.

1.8 (b) "Commissioner" means the commissioner of commerce.

1.9 (c) "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 (d) "Internet domain name" means a globally unique, hierarchical reference to an Internet

1.14 host or service, which is assigned through a centralized Internet naming authority, and which

1.15 is composed of a series of character strings separated by periods with the rightmost string

1.16 specifying the top of the hierarchy.

1.17 (e) "Established price" means the price fixed at the time of original sale by the operator

1.18 of any place of entertainment for admission thereto, exclusive of any fee or surcharge to a

1.19 purchaser.

1.20 (f) "Online ticket marketplace" means the administrator of a website or other electronic

1.21 service, including an agent, employee, or assignee of such administrator, that sells tickets

1.22 or maintains a platform to facilitate the sale of tickets.

2.1 (g) "Operator" means a person, including an agent, employee, or assignee of such person,
2.2 who:

2.3 (1) owns, operates, or controls a place of entertainment;

2.4 (2) produces entertainment; or

2.5 (3) sells a ticket to an entertainment for original sale.

2.6 (h) "Person" means a party, individual, partnership, association, corporation, or other
2.7 legal entity.

2.8 (i) "Place of entertainment" means an entertainment facility, including but not limited
2.9 to an amphitheater, theater, stadium, arena, racetrack, museum, amusement park, venue,
2.10 club, or other place where performances, concerts, exhibits, athletic games, contests, or
2.11 other forms of entertainment are held.

2.12 (j) "Ticket" means any evidence of the right of entry to any place of entertainment.

2.13 (k) "Ticket reseller" means a person that offers or sells tickets for resale after the original
2.14 sale by the operator to an entertainment event located in this state and includes an operator
2.15 to the extent that the operator offers or sells tickets for resale. Sales by a ticket reseller
2.16 includes sales by any means, including but not limited to in-person, or by telephone, mail,
2.17 delivery service, facsimile, Internet, email or other electronic means. A ticket reseller does
2.18 not include a person that purchases a ticket solely for their own use or the use of their
2.19 invitees, employees, or agents or who purchases a ticket on behalf of others and resells the
2.20 ticket to invitees, employees, or agents.

2.21 (l) "URL" means a uniform resource locator for a website on the Internet.

2.22 Subd. 2. **Disclosures.** (a) An operator, ticket reseller, or online ticket marketplace must,
2.23 at all times during the ticket listing and purchasing process, disclose in an easily readable
2.24 and conspicuous manner and in dollars:

2.25 (1) the total cost of the ticket, inclusive of all fees and surcharges that must be paid in
2.26 order to purchase the ticket;

2.27 (2) the portion of the ticket price that represents a service charge;

2.28 (3) any other fee or surcharge to the purchaser; and

2.29 (4) the established price disclosure of subtotals, fees, charges, and all other components
2.30 of the total price must not be false or misleading, and shall not be presented more prominently
2.31 or in the same or larger size than the total price. The price of a ticket must not increase with
2.32 respect to a particular purchaser after the ticket is first displayed to such purchaser, excluding

3.1 reasonable fees for the delivery of nonelectronic tickets based on the delivery method
3.2 selected by the purchaser, which must be disclosed prior to accepting payment.

3.3 (b) A ticket reseller must disclose in an easily readable and conspicuous manner on its
3.4 website:

3.5 (1) that the website is a ticket reseller and that the price of the ticket offered for sale may
3.6 be higher or lower than the original purchase price;

3.7 (2) the refund policy of the ticket reseller in connection with the cancellation or
3.8 postponement of an entertainment;

3.9 (3) that the website is associated with a ticket reseller; and

3.10 (4) that the purchaser is responsible for checking with the place of entertainment for
3.11 information on changes to the event or cancellations prior to the events start time.

3.12 A ticket reseller must require a purchaser to confirm having read the disclosures required
3.13 by this paragraph before completing a transaction.

3.14 (c) A ticket reseller must provide proof of purchase to the purchaser which must include
3.15 all event and ticket information within 24 hours of the purchase.

3.16 (f) An online ticket marketplace must not use any combination of text, images, trademark,
3.17 copyright, web designs, or Internet addresses that is identical or substantially similar to text,
3.18 images, trademark, copyright, web designs, or Internet addresses associated with an operator
3.19 or a place of entertainment without the written permission of the operator of such place of
3.20 entertainment duly authorized to provide such permission.

3.21 Subd. 3. **Prohibitions.** (a) A ticket reseller must not:

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

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

3.26 (3) sell a ticket without first informing the purchaser of the location of the place of
3.27 entertainment and the ticket's assigned seat, including but not limited to the seat number,
3.28 row, and section number of the seat;

3.29 (4) sell a ticket for which there is no assigned seat without first informing the purchaser
3.30 of the general admission area to which the ticket corresponds;

4.1 (5) advertise, offer for sale, or contract for the sale of a ticket before the ticket has been
4.2 made available to the public, including via presale, without first obtaining permission from
4.3 the operator, and having actual or constructive possession of such ticket, unless the ticket
4.4 reseller owns the ticket pursuant to a season ticket package purchased by the ticket reseller.

4.5 (b) A person must not use or cause to be used an Internet domain name or subdomain
4.6 thereof in an operator, ticket reseller, or online ticket marketplace website's URL that contains
4.7 any of the following, unless acting on behalf of the place of entertainment, event, or person
4.8 scheduled to perform or appear at the event:

4.9 (1) the name of a place of entertainment;

4.10 (2) the name of an event, including the name of a person scheduled to perform or appear
4.11 at the event; or

4.12 (3) a name substantially similar to those described in clause (1) or (2).

4.13 (c) A person must not:

4.14 (1) circumvent any portion of the process for purchasing a ticket on the Internet or
4.15 facilitate unauthorized entry for admission to a place of entertainment, including but not
4.16 limited to security or identity validation measures or an access control system; or

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

4.20 (d) A person must not sell a ticket obtained in violation of paragraph (c) if the person:

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

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

4.24 (e) An operator or ticket reseller must not sell a ticket unless:

4.25 (1) the ticket is in the possession or constructive possession of the operator or ticket
4.26 reseller; or

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

4.28 (f) Pursuant to United States Code, title 15, section 45c, circumvention of a security
4.29 measure, access control system, or other technological control measure used by an online
4.30 ticket marketplace to enforce posted event ticket purchasing limits or to maintain the integrity
4.31 of posted online ticket purchasing order rules is prohibited.

5.1 Subd. 4. **Exceptions.** The obligations and prohibitions of this section do not apply to
5.2 any person, unless the person engaged in aggregate transactions that were equal to or greater
5.3 than \$5,000.

5.4 Subd. 5. **Commissioner data requests; data practices.** Upon request by the
5.5 commissioner, an online ticket marketplace must disclose to the commissioner information
5.6 about technology and methods used in a violation of subdivision 3, paragraph (f). Data
5.7 collected or maintained by the commissioner under this subdivision are civil investigative
5.8 data under section 13.39, and the commissioner may share with the attorney general any
5.9 not public data, as defined in section 13.02, subdivision 8a, received under this subdivision.

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