

**First Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO**

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 23-0482.01 Christopher McMichael x4775

SENATE BILL 23-060

SENATE SPONSORSHIP

Rodriguez,

HOUSE SPONSORSHIP

Daugherty and Lindsay,

Senate Committees

Business, Labor, & Technology

House Committees

A BILL FOR AN ACT

101 **CONCERNING CONSUMER PROTECTIONS IN EVENT TICKET SALES.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

The bill amends consumer protection law regarding ticket sales and resales for events. **Section 1** of the bill amends definitions related to event ticket sales to:

- Specify that a "reseller" includes an event operator who acts as a reseller of event tickets; and
- Define a "rights holder" as a person with initial ownership rights to sell a ticket to an event.

Current law imposes certain restrictions on the resale of tickets.

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

SENATE
Amended 2nd Reading
March 7, 2023

Section 1 exempts from those ticket resale restrictions tickets to events that are initially offered at no charge or as part of a charitable event or for tickets that are offered in compliance with the "Americans with Disabilities Act".

Section 1 also allows an event operator to revoke or restrict tickets that are purchased or sold through deceptive trade practices.

Section 2 specifies that a person engages in deceptive trade practices when, in the course of the person's business, vocation, or occupation, the person:

- Uses computer software or systems that run automated tasks to purchase tickets to events or to circumvent or disable ticket limitation and security measures;
- Displays trademarked, copyrighted, or substantially similar web designs, URLs, or other images and symbols without the consent of the trademark or copyright holder, operator, or rights holder;
- Sells a ticket to an event without disclosing the total cost of the ticket, including the cost of any service charge or other fees that must be paid, or displays service charges and fees less prominently than the total price of the ticket;
- Increases the price of a ticket once the ticket has been selected for purchase, with the exception of adding delivery fees; or
- Advertises, offers for sale, or contracts for the resale of a ticket unless the ticket conforms to its description as advertised, the person has possession or constructive possession of the ticket, and the person has permission from the rights holder.

Section 2 also outlines a civil penalty structure for transactions in which one or more tickets are sold or acquired in a manner that constitutes a deceptive trade practice.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 6-1-718, **amend**
3 (1)(a), (1)(d), (1)(e), (1)(f), (1)(g), (2), (3)(b), (4), and (5); and **add**
4 (1)(c.5), (1)(h), and (3)(c) as follows:

5 **6-1-718. Ticket sales and resales - prohibitions - unlawful**
6 **conditions - definitions.** (1) As used in this section, unless the context
7 otherwise requires:

1 (a) "Operator" means a person or entity who THAT owns, operates,
2 or controls a place of entertainment or who THAT promotes or produces
3 entertainment, and that sells a ticket to an event for original sale,
4 including an employee of such person. or entity.

5 (c.5) "PRIMARY TICKET SELLER" MEANS A PERSON THAT HAS BEEN
6 AUTHORIZED BY AN OPERATOR, AS DEFINED IN SUBSECTION (1)(a) OF THIS
7 SECTION, TO SELL A TICKET TO AN EVENT FOR ORIGINAL SALE.

8 (d) "Purchaser" means a person or entity who THAT purchases a
9 ticket to a place of entertainment.

10 (e) "Resale" or "resold" means a sale, other than the original sale,
11 of a ticket by a person. or entity.

12 (f) "Reseller" means a person or entity that offers or sells RESALE
13 tickets ~~for resale after the original sale by the operator~~ OR THAT OPERATES
14 A PLATFORM OR EXCHANGE FOR ADVERTISING, LISTING, OR SELLING
15 RESALE TICKETS, including ~~an entity~~ A PERSON that operates a platform or
16 exchange for the purchase and sale of ORIGINAL SALE tickets to events
17 ~~that also engages in the purchase and resale of the ticket either on behalf~~
18 ~~of the operator, or on its own behalf if a reseller~~ TO THE EXTENT THAT
19 SUCH PERSON ALSO OFFERS OR SELLS RESALE TICKETS.

20 (g) "Ticket" means ~~a license issued by the operator of a place of~~
21 ~~entertainment for admission to an event at the date and time specified on~~
22 ~~the ticket, subject to the terms and conditions as specified by the operator.~~

23 "RIGHTS HOLDER" MEANS ANY PERSON THAT HAS THE INITIAL OWNERSHIP
24 RIGHTS TO SELL A TICKET TO AN EVENT FOR WHICH TICKETS FOR ENTRY BY
25 THE PUBLIC ARE REQUIRED.

26 (h) "TICKET" MEANS A LICENSE ISSUED BY THE OPERATOR OF A
27 PLACE OF ENTERTAINMENT FOR ADMISSION TO AN EVENT AT THE DATE

1 AND TIME SPECIFIED ON THE TICKET, SUBJECT TO THE TERMS AND
2 CONDITIONS AS SPECIFIED BY THE OPERATOR.

3 (2) Resellers shall guarantee a full refund to a purchaser OF A
4 TICKET if:

5 (a) The event ~~for which the ticket was resold~~ is canceled;

6 (b) The ticket does not or would not in fact grant the purchaser
7 admission to the event; ~~for which the ticket was resold;~~

8 (c) The ticket is counterfeit; or

9 (d) The ticket fails to conform to its description as advertised ~~or~~
10 ~~as represented~~ to the purchaser by the reseller.

11 (3) (b) Nothing in this section shall be deemed to prohibit an
12 operator from prohibiting the resale of:

13 (I) A contractual right in a season ticket package agreement that
14 gives the original purchaser a priority or other preference to enter into a
15 subsequent season ticket package agreement with the operator; OR

16 (II) ANY TICKET OR OTHER EVIDENCE OF THE RIGHT OF ENTRY TO
17 ANY PLACE OF ENTERTAINMENT IF THE TICKET OR OTHER EVIDENCE WAS
18 INITIALLY OFFERED:

19 (A) AT NO CHARGE, AND ACCESS TO THE TICKET OR OTHER
20 EVIDENCE IS NOT CONTINGENT UPON PROVIDING ANY FORM OF MONETARY
21 CONSIDERATION;

22 (B) AS PART OF A CHARITABLE EVENT WITH A CHARITABLE
23 PURPOSE, AS DEFINED IN SECTION 6-16-103 (2); OR

24 (C) IN COMPLIANCE WITH THE FEDERAL "AMERICANS WITH
25 DISABILITIES ACT OF 1990", 42 U.S.C. SEC. 12101 ET SEQ., AS AMENDED.

26 (c) NOTHING IN THIS SECTION SHALL BE CONSTRUED TO PROVIDE
27 LESSER PROTECTIONS FOR INDIVIDUALS WITH DISABILITIES THAN WHAT IS

1 REQUIRED IN PART 8 OF ARTICLE 34 OF TITLE 24 AND BY THE FEDERAL
2 "AMERICANS WITH DISABILITIES ACT OF 1990", 42 U.S.C. SEC 12101 ET
3 SEQ., AS AMENDED.

4 (4) A person, or entity, including an AN operator that regulates
5 admission to an event shall not deny access to the event to a person in
6 possession of a valid ticket to the event, OR REVOKE A VALID TICKET TO
7 THE EVENT, regardless of whether the ticket is subject to a subscription or
8 season ticket package agreement, based solely on the ground that such
9 ticket was resold through a reseller that was not approved by the operator.

10 (5) Nothing in this section shall be construed to prohibit an
11 operator from maintaining and enforcing policies regarding conduct or
12 behavior at or in connection with the operator's venue PLACE OF
13 ENTERTAINMENT. An operator may revoke or restrict ~~season~~ tickets for:

- 14 (a) Reasons relating to a violation of venue policies; ~~and to the~~
15 ~~extent the operator may deem necessary for~~
16 (b) The protection of the safety of patrons; or
17 (c) To address fraud or misconduct.

18 **SECTION 2.** In Colorado Revised Statutes, **amend** 6-1-720 as
19 follows:

20 **6-1-720. Online event ticket sales - deceptive trade practice -**
21 **penalties - definitions.** (1) A person AN OPERATOR, A PRIMARY TICKET

22 SELLER, A RESELLER, AN INDIVIDUAL, OR ANY OTHER PERSON engages in
23 a deceptive trade practice when, in the course of the person's business,
24 vocation, or occupation, ~~such~~ THE person:

- 25 (a) Uses or causes to be used a software application that runs
26 automated tasks over the internet to access a computer, computer
27 network, or computer system, or any part ~~thereof~~ OF A COMPUTER,

1 COMPUTER NETWORK, OR COMPUTER SYSTEM, for the purpose of
2 purchasing tickets; ~~in excess of authorized limits for an online event~~
3 ~~ticket sale with the intent to resell such tickets; or~~

4 (b) Uses or causes to be used a software application that runs
5 automated tasks over the internet, ~~that circumvents or disables~~ OR USES OR
6 CAUSES TO BE USED MULTIPLE ELECTRONIC MAIL ADDRESSES OR INTERNET
7 SERVICE PROVIDERS, TO CIRCUMVENT OR DISABLE any electronic queues,
8 waiting periods, or other sales volume limitation systems associated with
9 an online event ticket sale;

10 (c) USES OR CAUSES TO BE USED A SOFTWARE APPLICATION THAT
11 RUNS AUTOMATED TASKS OVER THE INTERNET TO CIRCUMVENT OR
12 DISABLE A SECURITY MEASURE, ACCESS CONTROL SYSTEM, OR OTHER
13 TECHNOLOGICAL CONTROL OR MEASURE ON AN INTERNET WEBSITE OR
14 ONLINE SERVICE THAT IS USED BY THE OPERATOR TO FACILITATE
15 AUTHORIZED ENTRY INTO AN EVENT;

16 (d) USES OR CAUSES TO BE USED AN INTERNET WEBSITE TO
17 DISPLAY A TRADEMARKED OR COPYRIGHTED URL, TITLE DESIGNATION,
18 IMAGE, MARK, OR OTHER SYMBOL WITHOUT THE WRITTEN CONSENT OF THE
19 TRADEMARK OR COPYRIGHT HOLDER;

20 (e) USES OR CAUSES TO BE USED AN INTERNET WEBSITE TO
21 DISPLAY ANY COMBINATION OF TEXT, IMAGES, WEB DESIGNS, OR INTERNET
22 ADDRESSES, WHICH INTERNET WEBSITE IS SUBSTANTIALLY SIMILAR TO THE
23 INTERNET WEBSITE OF AN OPERATOR OR RIGHTS HOLDER, WITHOUT THE
24 WRITTEN CONSENT OF THE OPERATOR OR RIGHTS HOLDER;

25 (f) SELLS A TICKET TO AN EVENT AT A PLACE OF ENTERTAINMENT
26 WITHOUT DISCLOSING THE TOTAL COST OF THE TICKET, INCLUSIVE OF ALL
27 ANCILLARY FEES THAT MUST BE PAID IN ORDER TO PURCHASE THE TICKET,

1 IN THE TICKET LISTING PRIOR TO THE TICKET BEING SELECTED FOR
2 PURCHASE;

3 (g) SELLS A TICKET TO AN EVENT AT A PLACE OF ENTERTAINMENT
4 WITHOUT DISCLOSING THE PORTION OF THE TICKET THAT REPRESENTS A
5 SERVICE CHARGE, OR ANY OTHER FEE OR SURCHARGE FOR THE PURCHASE,
6 IN A CLEAR AND CONSPICUOUS MANNER;

7 (h) MAKES A FALSE OR MISLEADING DISCLOSURE OF SUBTOTALS,
8 FEES, CHARGES, OR ANY OTHER COMPONENT OF THE TOTAL PRICE OF A
9 TICKET OR PRESENTS SUBTOTALS, FEES, CHARGES, OR OTHER COMPONENTS
10 OF THE TOTAL PRICE OF THE TICKET LESS PROMINENTLY OR IN A FONT SIZE
11 THAT IS SMALLER THAN THE FONT SIZE USED TO PRESENT THE TOTAL PRICE
12 OF THE TICKET;

13 (i) INCREASES THE PRICE OF A TICKET AFTER A PURCHASER HAS
14 SELECTED A TICKET FOR PURCHASE; EXCEPT THAT THE PERSON MAY ADD
15 FEES FOR THE DELIVERY OF NONELECTRONIC TICKETS, THE AMOUNT OF
16 WHICH IS BASED UPON THE DELIVERY METHOD SELECTED BY THE
17 PURCHASER, SO LONG AS THE PERSON DISCLOSES THE AMOUNT OF THE
18 DELIVERY FEES PRIOR TO ACCEPTING PAYMENT; OR

19 (j) ADVERTISES, OFFERS FOR SALE, OR CONTRACTS FOR THE RESALE
20 OF A TICKET OR ACCEPTS FULL OR PARTIAL CONSIDERATION FOR THE
21 RESALE OF A TICKET, UNLESS:

22 (I) THE TICKET CONFORMS TO ITS DESCRIPTION AS ADVERTISED;

23 (II) (A) THE PERSON HAS POSSESSION OR CONSTRUCTIVE
24 POSSESSION OF THE TICKET; OR

25 (B) THE PERSON HAS A WRITTEN CONTRACT TO OBTAIN THE TICKET
26 AT A CERTAIN PRICE FROM THE RIGHTS HOLDER OF THE TICKET; AND

27 (III) THE RIGHTS HOLDER:

1 (A) HAS MADE THE TICKET AVAILABLE TO THE PUBLIC, INCLUDING
2 THROUGH A PRESALE, FAN CLUB PRESALE, OR ANY OTHER PROMOTIONAL
3 PRESALE EVENT; OR

4 (B) HAS OTHERWISE PROVIDED PERMISSION TO THE PERSON TO
5 ADVERTISE, OFFER FOR SALE, OR CONTRACT FOR THE RESALE OF A TICKET
6 OR TO ACCEPT FULL OR PARTIAL CONSIDERATION FOR THE RESALE OF A
7 TICKET.

8 (2) As used in this section, unless the context otherwise requires:

9 (a) ~~"In excess of authorized limits", with regard to an online~~
10 ~~purchase of tickets, means exceeding a restriction on the number of~~
11 ~~individual tickets that can be purchased by any single person or~~
12 ~~circumventing any other terms and conditions of access to an online event~~
13 ~~ticket sale established by the event sponsor or promoter.~~

14 (b) "Online event ticket sale" means an electronic system utilized
15 by the OPERATOR, sponsor, or ~~promoter~~ RIGHTS HOLDER of a sporting or
16 entertainment event to sell tickets to such event to the public over the
17 internet.

18 (c) "OPERATOR" HAS THE SAME MEANING AS SET FORTH IN
19 SECTION 6-1-718 (1)(a).

20 (d) "PLACE OF ENTERTAINMENT" HAS THE SAME MEANING AS SET
21 FORTH IN SECTION 6-1-718 (1)(c).

22 (e) "PRIMARY TICKET SELLER" HAS THE SAME MEANING SET FORTH
23 IN SECTION 6-1-718 (1)(c.5).

24 (f) "RESELLER" HAS THE SAME MEANING SET FORTH IN SECTION
25 6-1-718 (1)(f).

26 (g) "RIGHTS HOLDER" HAS THE SAME MEANING AS SET FORTH IN
27 SECTION 6-1-718 (1)(g).

1 (h) "TICKET" HAS THE SAME MEANING AS SET FORTH IN SECTION
2 6-1-718 (1)(h).

3 (i) "URL" MEANS THE UNIFORM RESOURCE LOCATOR ASSOCIATED
4 WITH AN INTERNET WEBSITE.

5 (3) EXCEPT AS PROVIDED IN SUBSECTION (1) OF THIS SECTION, this
6 section ~~shall~~ DOES not prohibit the resale of tickets in a secondary market
7 by a person other than the event OPERATOR, sponsor, or ~~promoter~~ RIGHTS
8 HOLDER.

9 (4) (a) Every ~~ticket~~ TRANSACTION IN WHICH ONE OR MORE TICKETS
10 IS acquired OR SOLD in violation of this section ~~shall constitute~~
11 CONSTITUTES a separate violation for purposes of assessing a civil penalty
12 under section 6-1-112 (1)(a) and (1)(b) AND SUBSECTION (4)(b) OF THIS
13 SECTION.

14 (b) NOTWITHSTANDING THE CIVIL PENALTIES SPECIFIED IN SECTION
15 6-1-112 (1)(a) AND (1)(b):

16 (I) THE CIVIL PENALTY FOR A VIOLATION OF THIS SECTION IS AS
17 FOLLOWS:

18 (A) A FINE IN AN AMOUNT OF AT LEAST TEN THOUSAND DOLLARS
19 BUT NOT MORE THAN TWENTY THOUSAND DOLLARS FOR A FIRST
20 VIOLATION;

21 (B) A FINE IN AN AMOUNT OF AT LEAST TWENTY-FIVE THOUSAND
22 DOLLARS BUT NOT MORE THAN FIFTY THOUSAND DOLLARS FOR A SECOND
23 VIOLATION;

24 (C) A FINE IN AN AMOUNT OF AT LEAST ONE HUNDRED THOUSAND
25 DOLLARS BUT NOT MORE THAN TWO HUNDRED THOUSAND DOLLARS FOR
26 A THIRD VIOLATION; AND

27 (D) A FINE IN AN AMOUNT OF AT LEAST ONE MILLION DOLLARS BUT

1 NOT MORE THAN TWO MILLION DOLLARS FOR A FOURTH OR SUBSEQUENT
2 VIOLATION.

3 (II) THE CIVIL PENALTY FOR A VIOLATION OF A COURT ORDER OR
4 INJUNCTION ISSUED TO ENFORCE THIS SECTION SHALL NOT EXCEED ONE
5 HUNDRED THOUSAND DOLLARS FOR EACH VIOLATION.

6 **SECTION 3. Applicability.** This act applies to conduct occurring
7 on or after the effective date of this act.

8 **SECTION 4. Safety clause.** The general assembly hereby finds,
9 determines, and declares that this act is necessary for the immediate
10 preservation of the public peace, health, or safety.