

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

REVISED

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

LLS NO. 23-0482.01 Christopher McMichael x4775

SENATE BILL 23-060

SENATE SPONSORSHIP

Rodriguez and Baisley

HOUSE SPONSORSHIP

Daugherty and Lindsay,

Senate Committees

Business, Labor, & Technology

House Committees

Business Affairs & Labor

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.

HOUSE
Amended 2nd Reading
April 25, 2023

SENATE
3rd Reading Unamended
March 9, 2023

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 including an entity
14 that operates a platform or exchange for the purchase and sale of tickets
15 to events that also engages in the purchase and resale of the ticket either
16 on behalf of the operator or on its own behalf if a reseller.

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

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

23 (h) "TICKET" MEANS A LICENSE ISSUED BY THE OPERATOR OF A
24 PLACE OF ENTERTAINMENT FOR ADMISSION TO AN EVENT AT THE DATE
25 AND TIME SPECIFIED ON THE TICKET, SUBJECT TO THE TERMS AND
26 CONDITIONS AS SPECIFIED BY THE OPERATOR.

27 (i) (I) "TICKET RESALE MARKETPLACE" MEANS A PERSON THAT

1 OPERATES A PLATFORM OR EXCHANGE FOR THE PURCHASE AND RESALE OF
2 TICKETS BETWEEN THIRD PARTIES OR BETWEEN THE TICKET RESALE
3 MARKETPLACE AND A THIRD PARTY.

4 (II) "TICKET RESALE MARKETPLACE" INCLUDES A PRIMARY TICKET
5 SELLER TO THE EXTENT THAT THE PRIMARY TICKET SELLER ALSO
6 FACILITATES THE PURCHASE AND RESALE OF TICKETS BETWEEN THIRD
7 PARTIES.

8 (2) ~~Resellers~~ THE OPERATOR, PRIMARY TICKET SELLER, RESELLER,
9 OR TICKET RESALE MARKETPLACE FROM WHICH A PURCHASER BOUGHT A
10 TICKET shall guarantee a full refund OF THE TICKET to a THE purchaser if:

- 11 (a) The event ~~for which the ticket was resold~~ is canceled;
- 12 (b) The ticket does not or would not in fact grant the purchaser
13 admission to the event; ~~for which the ticket was resold;~~
- 14 (c) The ticket is counterfeit; or
- 15 (d) The ticket fails to conform to its description as advertised ~~or~~
16 ~~as represented to the purchaser. by the reseller.~~

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

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

22 (II) ANY TICKET OR OTHER EVIDENCE OF THE RIGHT OF ENTRY TO
23 ANY PLACE OF ENTERTAINMENT IF THE TICKET OR OTHER EVIDENCE WAS
24 INITIALLY OFFERED:

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

1 (B) AS PART OF A CHARITABLE EVENT FOR ANY BENEVOLENT,
2 EDUCATIONAL, PHILANTHROPIC, HUMANE, SCIENTIFIC, PATRIOTIC, SOCIAL
3 WELFARE OR ADVOCACY, PUBLIC HEALTH, ENVIRONMENTAL, CIVIC, OR
4 OTHER ELEEMOSYNARY PURPOSE, OR FOR ANY OBJECTIVE OF LAW
5 ENFORCEMENT OFFICERS, FIREFIGHTERS, OTHER PERSONS WHO PROTECT
6 THE PUBLIC SAFETY, OR VETERANS, OR FOR ANY OBJECTIVE OF
7 SPONSORING THE FREE ATTENDANCE OF PERSONS TO ANY EVENT; OR

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

10 (c) NOTHING IN THIS SECTION SHALL BE CONSTRUED TO PROVIDE
11 LESSER PROTECTIONS FOR INDIVIDUALS WITH DISABILITIES THAN WHAT IS
12 REQUIRED IN PART 8 OF ARTICLE 34 OF TITLE 24 AND BY THE FEDERAL
13 "AMERICANS WITH DISABILITIES ACT OF 1990", 42 U.S.C. SEC 12101 ET
14 SEQ., AS AMENDED.

15 (4) A person, ~~or entity~~, including an operator, A PRIMARY TICKET
16 SELLER, OR A RIGHTS HOLDER, ~~that regulates~~ admission to an event shall
17 not deny access to the event to a person in possession of a valid ticket to
18 the event, OR REVOKE A VALID TICKET TO THE EVENT, regardless of
19 whether the ticket is subject to a subscription or season ticket package
20 agreement, based solely on the ground that such ticket was resold through
21 a reseller OR TICKET RESALE MARKETPLACE that was not approved by the
22 operator.

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

27 (a) Reasons relating to a violation of venue policies; ~~and to the~~

1 extent the operator may deem necessary for

2 (b) The protection of the safety of patrons; or

3 (c) To address fraud or misconduct.

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

6 **6-1-720. Online event ticket sales - deceptive trade practice -**

7 **penalties - definitions.** (1) ~~A person~~ AN OPERATOR, A PRIMARY TICKET

8 ~~SELLER, A RESELLER, A TICKET RESALE MARKETPLACE, AN INDIVIDUAL, OR~~

9 ~~ANY OTHER PERSON~~ engages in a deceptive trade practice when, in the

10 course of the person's business, vocation, or occupation, ~~such~~ THE person:

11 (a) Uses or causes to be used a software application that runs

12 automated tasks over the internet to access a computer, computer

13 network, or computer system, or any part ~~thereof~~ OF A COMPUTER,

14 COMPUTER NETWORK, OR COMPUTER SYSTEM, for the purpose of

15 ~~purchasing tickets in excess of authorized limits for an online event ticket~~

16 ~~sale with the intent to resell such tickets; or~~

17 (b) Uses or causes to be used a software application that runs

18 automated tasks over the internet, ~~that circumvents or disables~~ OR USES OR

19 CAUSES TO BE USED MULTIPLE ELECTRONIC MAIL ADDRESSES OR INTERNET

20 SERVICE PROVIDERS, TO CIRCUMVENT OR DISABLE any electronic queues,

21 waiting periods, or other sales volume limitation systems associated with

22 an online event ticket sale;

23 (c) USES OR CAUSES TO BE USED A SOFTWARE APPLICATION THAT

24 RUNS AUTOMATED TASKS OVER THE INTERNET TO CIRCUMVENT OR

25 DISABLE A SECURITY MEASURE, ACCESS CONTROL SYSTEM, OR OTHER

26 TECHNOLOGICAL CONTROL OR MEASURE ON AN INTERNET WEBSITE OR

27 ONLINE SERVICE THAT IS USED BY THE OPERATOR TO FACILITATE

1 AUTHORIZED ENTRY INTO AN EVENT;

2 (d) HAS KNOWLEDGE OF THE USE OF SOFTWARE APPLICATIONS FOR
3 EVENT TICKET SALES AS DESCRIBED IN SUBSECTIONS (1)(a), (1)(b), AND
4 (1)(c) OF THIS SECTION AND FAILS TO NOTIFY THE ATTORNEY GENERAL OF
5 THE USE OF THOSE SOFTWARE APPLICATIONS; EXCEPT THAT AN OPERATOR
6 IS NOT REQUIRED TO NOTIFY THE ATTORNEY GENERAL OF THE USE OF
7 SOFTWARE APPLICATIONS FOR EVENT TICKET SALES PURSUANT TO THIS
8 SUBSECTION (1)(d);

9 (e) USES OR CAUSES TO BE USED AN INTERNET WEBSITE TO
10 DISPLAY A TRADEMARKED OR COPYRIGHTED URL, TITLE DESIGNATION,
11 IMAGE, MARK, OR OTHER SYMBOL WITHOUT THE WRITTEN CONSENT OF THE
12 TRADEMARK OR COPYRIGHT HOLDER;

13 (f) USES OR CAUSES TO BE USED AN INTERNET WEBSITE TO DISPLAY
14 ANY COMBINATION OF TEXT, IMAGES, WEB DESIGNS, OR INTERNET
15 ADDRESSES, WHICH INTERNET WEBSITE IS SUBSTANTIALLY SIMILAR TO THE
16 INTERNET WEBSITE OF AN OPERATOR OR RIGHTS HOLDER, WITHOUT THE
17 WRITTEN CONSENT OF THE OPERATOR OR RIGHTS HOLDER;

18 (g) SELLS A TICKET TO AN EVENT AT A PLACE OF ENTERTAINMENT
19 WITHOUT DISCLOSING THE TOTAL COST OF THE TICKET, INCLUSIVE OF ALL
20 ANCILLARY FEES THAT MUST BE PAID IN ORDER TO PURCHASE THE TICKET,
21 IN THE TICKET LISTING PRIOR TO THE TICKET BEING SELECTED FOR
22 PURCHASE;

23 (h) SELLS A TICKET TO AN EVENT AT A PLACE OF ENTERTAINMENT
24 WITHOUT DISCLOSING THE PORTION OF THE TICKET THAT REPRESENTS A
25 SERVICE CHARGE, OR ANY OTHER FEE OR SURCHARGE FOR THE PURCHASE,
26 IN A CLEAR AND CONSPICUOUS MANNER;

27 (i) MAKES A FALSE OR MISLEADING DISCLOSURE OF SUBTOTALS,

1 FEES, CHARGES, OR ANY OTHER COMPONENT OF THE TOTAL PRICE OF A
2 TICKET OR PRESENTS SUBTOTALS, FEES, CHARGES, OR OTHER COMPONENTS
3 OF THE TOTAL PRICE OF THE TICKET LESS PROMINENTLY OR IN A FONT SIZE
4 THAT IS SMALLER THAN THE FONT SIZE USED TO PRESENT THE TOTAL PRICE
5 OF THE TICKET;

6 (j) INCREASES THE PRICE OF A TICKET AFTER A PURCHASER HAS
7 SELECTED A TICKET FOR PURCHASE; EXCEPT THAT THE PERSON MAY ADD
8 FEES FOR THE DELIVERY OF NONELECTRONIC TICKETS, THE AMOUNT OF
9 WHICH IS BASED UPON THE DELIVERY METHOD SELECTED BY THE
10 PURCHASER, SO LONG AS THE PERSON DISCLOSES THE AMOUNT OF THE
11 DELIVERY FEES PRIOR TO ACCEPTING PAYMENT;

12 (k) ADVERTISES, OFFERS FOR SALE, OR CONTRACTS FOR THE
13 RESALE OF A TICKET OR ACCEPTS FULL OR PARTIAL CONSIDERATION FOR
14 THE RESALE OF A TICKET, UNLESS:

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

16 (II) (A) THE PERSON HAS POSSESSION OR CONSTRUCTIVE
17 POSSESSION OF THE TICKET; OR

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

20 (III) THE RIGHTS HOLDER:

21 (A) HAS MADE THE TICKET AVAILABLE TO THE PUBLIC, INCLUDING
22 THROUGH A PRESALE, FAN CLUB PRESALE, OR ANY OTHER PROMOTIONAL
23 PRESALE EVENT; OR

24 (B) HAS OTHERWISE PROVIDED PERMISSION TO THE PERSON TO
25 ADVERTISE, OFFER FOR SALE, OR CONTRACT FOR THE RESALE OF A TICKET
26 OR TO ACCEPT FULL OR PARTIAL CONSIDERATION FOR THE RESALE OF A
27 TICKET; OR

1 (I) (I) FAILS TO CLEARLY AND CONSPICUOUSLY DISCLOSE ON A
2 WEBSITE BEING UTILIZED FOR THE ORIGINAL SALE OF TICKETS TO AN
3 EVENT;

4 (A) THE TOTAL NUMBER OF TICKETS THAT WILL BE OFFERED FOR
5 SALE TO THE EVENT NOT LESS THAN ONE DAY BEFORE THE DATE ON WHICH
6 THE TICKETS ARE MADE AVAILABLE FOR SALE;

7 (B) WHETHER ADDITIONAL TICKETS WILL BE MADE AVAILABLE FOR
8 SALE AT A LATER DATE;

9 (C) AN HOURLY UPDATE REGARDING THE NUMBER OF TICKETS
10 STILL AVAILABLE TO THE PUBLIC FOR PURCHASE;

11 (D) FOR TICKETS DISCLOSED PURSUANT TO SUBSECTION
12 (1)(I)(I)(A) OF THIS SECTION, THE PRICE OF THOSE TICKETS, INCLUDING
13 THE NUMBER AND TOTAL COST OF TICKETS OFFERED AT A SET PRICE; AND

14 (E) THE NUMBER OF TICKETS WITH PRICES THAT WILL FLUCTUATE
15 TO REFLECT MARKET DEMAND.

16 (II) THE OPERATOR OF A PLACE OF ENTERTAINMENT THAT HAS A
17 CAPACITY OF TWO THOUSAND PEOPLE OR FEWER IS NOT REQUIRED TO
18 MAKE THE DISCLOSURES DESCRIBED IN SUBSECTION (1)(I)(I) OF THIS
19 SECTION.

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

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

26 (b) "Online event ticket sale" means an electronic system utilized
27 by the OPERATOR, sponsor, or promoter RIGHTS HOLDER of a sporting or

1 entertainment event to sell tickets to such event to the public over the
2 internet.

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

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

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

9 (f) "RESELLER" HAS THE SAME MEANING SET FORTH IN SECTION
10 6-1-718 (1)(f).

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

13 (h) "TICKET" HAS THE SAME MEANING AS SET FORTH IN SECTION
14 6-1-718 (1)(h).

15 (i) "TICKET RESALE MARKETPLACE" HAS THE SAME MEANING AS
16 SET FORTH IN SECTION 6-1-718 (1)(i).

17 (j) "URL" MEANS THE UNIFORM RESOURCE LOCATOR ASSOCIATED
18 WITH AN INTERNET WEBSITE.

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

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

1 (b) NOTWITHSTANDING THE CIVIL PENALTIES SPECIFIED IN SECTION
2 6-1-112 (1)(a) AND (1)(b):

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

5 (A) A FINE IN AN AMOUNT OF AT LEAST TEN THOUSAND DOLLARS
6 BUT NOT MORE THAN TWENTY THOUSAND DOLLARS FOR A FIRST
7 VIOLATION;

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

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

14 (D) A FINE IN AN AMOUNT OF AT LEAST ONE MILLION DOLLARS BUT
15 NOT MORE THAN TWO MILLION DOLLARS FOR A FOURTH OR SUBSEQUENT
16 VIOLATION.

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

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

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