

# HOUSE BILL 1266

I3

6lr3716  
CF SB 881

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By: **Delegate Frick**

Introduced and read first time: February 12, 2016

Assigned to: Economic Matters

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## A BILL ENTITLED

1 AN ACT concerning

2 **Commercial Law – Consumer Protection – Ticket Transfers, Sales, and Resales**

3 FOR the purpose of requiring a ticket issuer, ticket seller, primary ticket sales platform, or  
4 secondary ticket exchange to maintain a certain toll-free number and implement a  
5 certain refund policy; requiring a refund of a ticket to include a certain amount and  
6 certain fees; specifying that a ticket seller may satisfy certain requirements in a  
7 certain manner; providing that certain provisions of this Act do not prohibit a ticket  
8 issuer, ticket seller, primary ticket sales platform, or secondary ticket exchange from  
9 taking certain reasonable actions or implementing certain policies; prohibiting a  
10 ticket issuer, ticket seller, primary ticket sales platform, or secondary ticket  
11 exchange from taking certain actions relating to the transfer, offer for resale, or  
12 resale of a ticket; prohibiting a ticket issuer or primary ticket sales platform from  
13 bringing a certain legal action against certain persons; authorizing an operator of a  
14 venue or an agent of the operator to take certain actions relating to the behavior of  
15 individuals for entertainment events, the quantity of tickets purchased for an  
16 entertainment event, the revocation or restriction of season tickets, and the  
17 restriction of the resale of tickets initially sold or given to certain individuals or  
18 groups; defining certain terms; and generally relating to the transfer, sale, and resale  
19 of tickets at the venue.

20 BY repealing and reenacting, with amendments,  
21 Article – Commercial Law  
22 Section 14-4001 through 14-4003  
23 Annotated Code of Maryland  
24 (2013 Replacement Volume and 2015 Supplement)

25 BY adding to  
26 Article – Commercial Law  
27 Section 14-4002 through 14-4005  
28 Annotated Code of Maryland  
29 (2013 Replacement Volume and 2015 Supplement)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
2 That the Laws of Maryland read as follows:

3 **Article – Commercial Law**

4 14–4001.

5 (a) In this subtitle the following words have the meanings indicated.

6 (b) (1) “Entertainment event” means:

7 (i) A performance;

8 (ii) A recreation;

9 (iii) An amusement;

10 (iv) A diversion;

11 (v) A spectacle;

12 (vi) A show; or

13 (vii) Any similar event.

14 (2) “Entertainment event” includes:

15 (i) A theatrical or musical performance;

16 (ii) A concert;

17 (iii) A film;

18 (iv) A game;

19 (v) A ride; and

20 (vi) A sporting event.

21 **(C) “PRIMARY TICKET SALES PLATFORM” MEANS A MARKETPLACE**  
22 **OPERATED BY OR ON BEHALF OF A TICKET ISSUER FOR CONSUMERS TO MAKE AN**  
23 **INITIAL PURCHASE OF TICKETS FROM A TICKET ISSUER.**

1           **(D) “RESALE” MEANS ANY PURCHASE OF A TICKET SUBSEQUENT TO THE**  
2 **INITIAL PURCHASE OF THE TICKET FROM A TICKET ISSUER, REGARDLESS OF THE**  
3 **METHOD OF DELIVERY OR TRANSFER OF THE TICKET.**

4           **(E) “SECONDARY TICKET EXCHANGE” MEANS AN ELECTRONIC**  
5 **MARKETPLACE THAT ENABLES CONSUMERS TO SELL, PURCHASE, AND RESELL**  
6 **TICKETS.**

7           **[(c)](F) “Ticket” means a ticket for admission to an entertainment event.**

8           **(G) (1) “TICKET ISSUER” MEANS ANY PERSON THAT ISSUED TICKETS,**  
9 **DIRECTLY OR INDIRECTLY, FOR AN ENTERTAINMENT EVENT.**

10           **(2) “TICKET ISSUER” INCLUDES:**

11                   **(I) A MUSICIAN OR MUSICAL GROUP;**

12                   **(II) AN OPERATOR OF A VENUE;**

13                   **(III) A SPONSOR OR PROMOTER OF AN ENTERTAINMENT EVENT;**

14                   **(IV) A SPORTS TEAM PARTICIPATING IN AN ENTERTAINMENT**  
15 **EVENT;**

16                   **(V) A SPORTS LEAGUE WHOSE TEAMS ARE PARTICIPATING IN**  
17 **AN ENTERTAINMENT EVENT;**

18                   **(VI) A THEATER COMPANY; AND**

19                   **(VII) AN AGENT OF ANY OF THE ENTITIES IN ITEMS (I) THROUGH**  
20 **(VI) OF THIS PARAGRAPH.**

21           **(H) “TICKET SELLER” MEANS A PERSON ENGAGED IN THE SALE OR RESALE**  
22 **OF TICKETS.**

23           **(I) “VENUE” MEANS A THEATER, STADIUM, FIELD, HALL, OR ANY OTHER**  
24 **FACILITY AT WHICH AN ENTERTAINMENT EVENT TAKES PLACE.**

25 **14-4002.**

26           **(A) A TICKET ISSUER, TICKET SELLER, PRIMARY TICKET SALES PLATFORM,**  
27 **OR SECONDARY TICKET EXCHANGE SHALL:**

1           **(1) MAINTAIN A TOLL-FREE TELEPHONE NUMBER FOR COMPLAINTS**  
2 **AND INQUIRIES; AND**

3           **(2) IMPLEMENT A STANDARD REFUND POLICY THAT PROVIDES A**  
4 **PURCHASER OF A TICKET A FULL REFUND OR COMPARABLE REPLACEMENT TICKETS**  
5 **IF:**

6                   **(I) THE ENTERTAINMENT EVENT IS CANCELLED WITHOUT**  
7 **BEING RESCHEDULED;**

8                   **(II) THE TICKET A PURCHASER RECEIVES IS COUNTERFEIT;**

9                   **(III) THE TICKET ISSUER HAS CANCELLED THE TICKET FOR**  
10 **NONPAYMENT OF THE TICKET PRICE BY THE INITIAL PURCHASER OR FOR ANY**  
11 **REASON OTHER THAN AN ACT OR OMISSION OF THE PURCHASER;**

12                   **(IV) THE TICKET FAILS TO CONFORM TO THE DESCRIPTION**  
13 **THAT THE TICKET SELLER PROVIDED;**

14                   **(V) THE PURCHASER DID NOT RECEIVE THE TICKET BEFORE**  
15 **THE OCCURRENCE OF THE ENTERTAINMENT EVENT UNLESS THE FAILURE OF**  
16 **RECEIPT WAS DUE TO AN ACT OR OMISSION OF THE PURCHASER; OR**

17                   **(VI) THE TICKET DID NOT PROVIDE THE PURCHASER ADMISSION**  
18 **TO THE ENTERTAINMENT EVENT FOR WHICH THE TICKET WAS PURCHASED.**

19           **(B) REFUND OF A TICKET SHALL INCLUDE:**

20                   **(1) THE FULL AMOUNT THE PURCHASER PAID FOR THE TICKET; AND**

21                   **(2) ALL FEES CHARGED IN CONNECTION WITH THE PURCHASE OF THE**  
22 **TICKET, INCLUDING DOWNLOAD FEES, DELIVERY FEES, AND SHIPPING FEES.**

23           **(C) A TICKET SELLER MAY SATISFY THE REQUIREMENTS UNDER THIS**  
24 **SECTION BY USING A SECONDARY TICKET EXCHANGE THAT COMPLIES WITH THE**  
25 **REQUIREMENTS UNDER THIS SECTION.**

26           **(D) THIS SECTION MAY NOT BE CONSTRUED TO PROHIBIT A TICKET ISSUER,**  
27 **TICKET SELLER, PRIMARY TICKET SALES PLATFORM, OR SECONDARY TICKET**  
28 **EXCHANGE FROM:**

29                   **(1) TAKING REASONABLE ACTIONS TO REMEDIATE INCIDENTS OF**  
30 **FRAUD; OR**

1           **(2) IMPLEMENTING CONSUMER PROTECTION POLICIES THAT EXCEED**  
2 **THE STANDARDS ESTABLISHED UNDER THIS SECTION.**

3 **14-4003.**

4           **A TICKET ISSUER, TICKET SELLER, PRIMARY TICKET SALES PLATFORM, OR**  
5 **SECONDARY TICKET EXCHANGE MAY NOT:**

6           **(1) PROHIBIT OR RESTRICT THE TRANSFER, RESALE, OR OFFER FOR**  
7 **RESALE OF A TICKET;**

8           **(2) IMPOSE LICENSE OR CONTRACTUAL TERMS ON THE INITIAL SALE**  
9 **OF A TICKET THAT:**

10           **(i) PROHIBIT OR RESTRICT THE TRANSFER, RESALE, OR OFFER**  
11 **FOR RESALE OF A TICKET;**

12           **(ii) RESTRICT THE PRICE AT WHICH A PERSON MAY OFFER A**  
13 **TICKET FOR RESALE OR RESELL A TICKET; OR**

14           **(iii) RESTRICT OTHER TERMS AND CONDITIONS UNDER WHICH A**  
15 **PERSON MAY TRANSFER, OFFER FOR RESALE, OR RESELL A TICKET;**

16           **(3) REQUIRE THE PURCHASER OF A TICKET TO AGREE:**

17           **(i) NOT TO TRANSFER, OFFER FOR RESALE, OR RESELL THE**  
18 **TICKET; OR**

19           **(ii) TO ONLY TRANSFER, OFFER FOR RESALE, OR RESELL THE**  
20 **TICKET USING A SECONDARY TICKET EXCHANGE OR OTHER METHOD THAT THE**  
21 **TICKET ISSUER APPROVES;**

22           **(4) PENALIZE OR DISCRIMINATE AGAINST A PURCHASER OF A TICKET**  
23 **WHO TRANSFERS, OFFERS FOR RESALE, OR RESELLS THE PURCHASER'S TICKET;**

24           **(5) PENALIZE, DISCRIMINATE AGAINST, OR DENY ACCESS TO A**  
25 **TICKET HOLDER SOLELY ON THE GROUNDS THAT THE TICKET WAS RESOLD; OR**

26           **(6) USE TECHNOLOGY OR TICKET DELIVERY METHODS THAT HAVE**  
27 **THE EFFECT OF PRECLUDING OR HINDERING THE ABILITY OF A PURCHASER OF A**  
28 **TICKET TO TRANSFER, OFFER FOR RESALE, OR RESELL THE TICKET, INCLUDING:**

1                   **(I) ISSUING TICKET IN AN ELECTRONIC FORM THAT IS NOT**  
2 **EASILY TRANSFERRABLE;**

3                   **(II) CHARGING AN ADDITIONAL FEE FOR THE TRANSFER OF A**  
4 **TICKET BY THE PURCHASER TO ANOTHER PERSON;**

5                   **(III) MAKING ENTRY TO AN ENTERTAINMENT EVENT**  
6 **CONDITIONED ON THE PRESENTATION OF A MOBILE APPLICATION ON A CELLULAR**  
7 **TELEPHONE OR AN OBJECT OTHER THAN THE TICKET THAT CANNOT EASILY BE**  
8 **TRANSFERRED TO A SUBSEQUENT PERSON, INCLUDING REQUIRING:**

9                   1.     **PHOTO IDENTIFICATION OF THE PURCHASER; OR**

10                   2.     **THE CREDIT CARD ORIGINALLY USED TO PURCHASE**  
11 **THE TICKET;**

12                   **(IV) DELAYING DELIVERY OF A TICKET; OR**

13                   **(V) USING ONLY A “WILL CALL” METHOD OF DELIVERY OF A**  
14 **TICKET.**

15 **14-4004.**

16                   **A TICKET ISSUER OR PRIMARY TICKET SALES PLATFORM MAY NOT TAKE**  
17 **LEGAL ACTION THAT IS:**

18                   **(1) BASED ON AN ACTION OF THE TICKET ISSUER OR PRIMARY TICKET**  
19 **SALES PLATFORM THAT IS A VIOLATION OF THIS SUBTITLE; AND**

20                   **(2) AGAINST:**

21                   **(I) A PURCHASER OF A TICKET WHO TRANSFERS, OFFERS FOR**  
22 **RESALE, OR RESELLS A TICKET;**

23                   **(II) A PERSON THAT FACILITATES THE RESALE OF A TICKET;**

24                   **(III) A PERSON THAT PROVIDES SERVICES RELATED TO THE**  
25 **RESALE OF A TICKET; OR**

26                   **(IV) THE OPERATOR OF A SECONDARY TICKET EXCHANGE.**

27 **14-4005.**

1           **(A) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBTITLE, AN**  
2 **OPERATOR OF A VENUE OR AN AGENT OF THE OPERATOR MAY:**

3           **(1) MAINTAIN AND ENFORCE ANY POLICIES REGARDING CONDUCT OR**  
4 **BEHAVIOR AT THE VENUE;**

5           **(2) ESTABLISH LIMITS ON THE QUANTITY OF TICKETS PURCHASED**  
6 **DURING AN INITIAL SALE OF TICKETS FOR AN ENTERTAINMENT EVENT;**

7           **(3) REVOKE OR RESTRICT SEASON TICKETS FOR REASONS RELATING**  
8 **TO VIOLATIONS OF VENUE POLICIES, INCLUDING:**

9           **(I) ATTEMPTS BY TWO OR MORE INDIVIDUALS TO GAIN**  
10 **ADMISSION TO THE SAME ENTERTAINMENT EVENT USING TICKETS PURCHASED IN A**  
11 **RESALE TRANSACTION, WITH EACH OF THE INDIVIDUALS PRESENTING A TICKET**  
12 **ORIGINALLY ISSUED TO A SEASON TICKET HOLDER;**

13           **(II) CONCERNS REGARDING THE PROTECTION OR SAFETY OF**  
14 **INDIVIDUALS AT THE VENUE; AND**

15           **(III) CONCERNS REGARDING POSSIBLE FRAUD OR MISCONDUCT;**  
16 **AND**

17           **(4) RESTRICT THE OFFER FOR RESALE OR THE RESALE OF TICKETS**  
18 **INITIALLY SOLD OR GIVEN TO INDIVIDUALS OR GROUPS AS PART OF A TARGETED**  
19 **PROMOTION OR A DISCOUNTED PRICE BECAUSE OF THE INDIVIDUALS' OR GROUPS'**  
20 **STATUS.**

21           **(B) THE RESTRICTION UNDER SUBSECTION (A)(4) OF THIS SECTION:**

22           **(1) INCLUDES GROUPS OR INDIVIDUALS CHARACTERIZED BY A**  
23 **DISABILITY, MEMBERSHIP IN A RELIGIOUS OR CIVIC ORGANIZATION, OR ECONOMIC**  
24 **HARDSHIP; AND**

25           **(2) REQUIRES THAT TICKETS SOLD TO CERTAIN INDIVIDUALS OR**  
26 **GROUPS ARE:**

27           **(I) NOT OFFERED PROMOTIONALLY TO THE GENERAL PUBLIC;**  
28 **AND**

29           **(II) MARKED CLEARLY AS A TICKET RESTRICTED TO THE**  
30 **SPECIFIED INDIVIDUALS OR GROUPS.**

1 ~~[14-4002.] 14-4006.~~

2 A person may not intentionally sell or use software to circumvent a security measure,  
3 an access control system, or any other control or measure on a ticket seller's Web site that  
4 is used to ensure an equitable ticket buying process.

5 ~~[14-4003.] 14-4007.~~

6 A violation of this subtitle is:

7 (1) An unfair or deceptive trade practice within the meaning of Title 13 of  
8 this article; and

9 (2) Subject to the enforcement and penalty provisions contained in Title 13  
10 of this article.

11 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
12 October 1, 2016.