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4lr0597 CF SB 539

## By: **Delegate Wilson** Introduced and read first time: January 26, 2024 Assigned to: Economic Matters

## A BILL ENTITLED

1 AN ACT concerning

## 2 Commercial Law – Consumer Protection – Sale and Resale of Tickets

3 FOR the purpose of requiring the listing for a ticket and each step of a transaction to 4 purchase a ticket to disclose certain information; requiring a reseller to provide the  $\mathbf{5}$ contact information of the resale ticket purchaser to the ticket issuer for a certain 6 purpose; prohibiting a reseller from selling or offering to sell a ticket for more than 7 a certain price; limiting the fee that a secondary ticket exchange may charge for the 8 service of providing a marketplace for the resale of a ticket; prohibiting a person from 9 restricting the transfer or resale of a ticket that was made available to the general public for purchase, subject to certain restrictions; repealing the exceptions to the 1011 prohibition against a reseller selling or offering to sell speculative tickets; prohibiting 12a secondary ticket exchange from providing a marketplace for the resale of a ticket that violates this Act; and generally relating to consumer protection and the sale and 13 resale of tickets. 14

## 15 BY repealing and reenacting, with amendments,

- 16 Article Commercial Law
- 17 Section 13–310.1
- 18 Annotated Code of Maryland
- 19 (2013 Replacement Volume and 2023 Supplement)

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

## Article – Commercial Law

23 13-310.1.

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- 24 (a) (1) In this section the following words have the meanings indicated.
- 25 (2) (i) "Resale" means the second or subsequent sale of a ticket.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [Brackets] indicate matter deleted from existing law.



"Resale" includes a sale by any means, including in person, by 1 (ii)  $\mathbf{2}$ telephone, by mail, by e-mail, by facsimile, or through a website or other electronic means. 3 "Reseller" means a person [who offers a ticket for resale] ENGAGED IN (3)4 THE RESALE OF TICKETS. "SECONDARY TICKET EXCHANGE" MEANS AN ELECTRONIC  $\mathbf{5}$ (4)6 MARKETPLACE THAT ENABLES CONSUMERS TO SELL, PURCHASE, AND RESELL 7 TICKETS. 8 (5) (i) "Speculative ticket" means a ticket that is not in the actual or 9 constructive possession of a reseller at the time of sale. 10 "Speculative ticket" includes a ticket sold by a reseller that, at (ii) 11 the time of resale: 121. Is not in the physical possession of the reseller; 2. 13 Is not owned by the reseller; or Is not under contract to be transferred to the reseller. 14 3. "Ticket" means physical, electronic, or other evidence, that 15**[**(5)**] (6)** grants the possessor of the evidence [permission] LICENSE to enter a place of 1617entertainment for one or more events at a specified date and time. "TICKET ISSUER" MEANS A PERSON THAT, DIRECTLY OR 18(7) **(I)** 19INDIRECTLY, ISSUES INITIAL TICKETS FOR AN ENTERTAINMENT EVENT. **"TICKET ISSUER" INCLUDES:** 20**(II)** 211. A MUSICIAN OR MUSICAL GROUP; 222. AN OPERATOR OF A VENUE; 233. A SPONSOR OR A PROMOTER OF AN ENTERTAINMENT 24EVENT; 25Α **SPORTS** TEAM PARTICIPATING **4**. IN AN 26**ENTERTAINMENT EVENT;** 275. Α SPORTS LEAGUE WHOSE TEAMS ARE 28PARTICIPATING IN AN ENTERTAINMENT EVENT:

1	6. A THEATER COMPANY;
$\frac{2}{3}$	7. A MARKETPLACE OPERATED FOR CONSUMERS TO MAKE AN INITIAL PURCHASE OF TICKETS; OR
4 5	8. AN AGENT OF ANY OF THE PERSONS LISTED IN ITEMS 1 THROUGH 7 OF THIS SUBPARAGRAPH.
$6 \\ 7$	(B) (1) THIS SUBSECTION APPLIES ONLY TO SECONDARY TICKET EXCHANGES, TICKET ISSUERS, AND RESELLERS.
8 9	(2) THE LISTING FOR A TICKET AND EACH STEP OF A TRANSACTION TO PURCHASE A TICKET SHALL:
10 11	(I) CLEARLY AND CONSPICUOUSLY DISCLOSE THE TOTAL PRICE OF THE TICKET, INCLUDING ALL FEES AND TAXES;
12 13	(II) PROVIDE AN ITEMIZED LISTING OF ALL CHARGES THAT COMPRISE THE TOTAL PRICE OF THE TICKET, INCLUDING ALL FEES AND TAXES; AND
$\begin{array}{c} 14 \\ 15 \end{array}$	(III) IDENTIFY THE SEAT NUMBER AND ZONE OR SECTION OF THE TICKET, TO THE EXTENT APPLICABLE TO THE SEAT AND VENUE.
16 17 18 19	(C) A RESELLER SHALL PROVIDE THE TICKET ISSUER WITH THE CONTACT INFORMATION OF THE RESALE TICKET PURCHASER TO ENABLE THE TICKET ISSUER TO NOTIFY THE RESALE TICKET PURCHASER OF ANY CHANGE IN THE EVENT CIRCUMSTANCES, SUCH AS AN EVENT CANCELLATION OR RESCHEDULING.
$20 \\ 21 \\ 22$	(D) (1) THIS SUBSECTION DOES NOT APPLY TO A FEE THAT A SECONDARY TICKET EXCHANGE MAY CHARGE FOR THE SERVICE OF PROVIDING A MARKETPLACE FOR THE RESALE OF A TICKET.
23 24 25 26	(2) (I) EXCEPT AS PROVIDED UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE TOTAL PRICE AT WHICH A RESELLER MAY SELL OR OFFER TO SELL A TICKET MAY NOT EXCEED THE TOTAL PRICE OF THE INITIAL TICKET, INCLUDING ALL FEES AND TAXES IN CONNECTION WITH THE INITIAL TICKET.
27 28 29 30	(II) IF INITIAL TICKETS WERE PURCHASED FOR A SERIES OF EVENTS, SUCH AS SEASON TICKETS FOR A SPORTS TEAM, THE TOTAL RESALE PRICE OF A TICKET FOR A SINGLE EVENT MAY NOT EXCEED THE TOTAL PRICE OF A COMPARABLE TICKET, INCLUDING ALL FEES AND TAXES.

1 (E) THE FEE THAT A SECONDARY TICKET EXCHANGE MAY CHARGE FOR THE 2 SERVICE OF PROVIDING A MARKETPLACE FOR THE RESALE OF A TICKET MAY NOT 3 EXCEED 10% OF THE TOTAL PRICE OF THE INITIAL TICKET.

## 4 (F) SUBJECT TO REASONABLE RESTRICTIONS IMPOSED BY A TICKET 5 ISSUER, A PERSON MAY NOT PROHIBIT OR RESTRICT THE TRANSFER OR RESALE OF 6 A TICKET THAT WAS MADE AVAILABLE TO THE GENERAL PUBLIC FOR PURCHASE.

7 [(b)] (G) A reseller may not sell or offer to sell speculative tickets [unless the 8 reseller, clearly and conspicuously, discloses to a prospective purchaser at the outset of the 9 sales transaction:

10 (1) That the tickets are speculative tickets, and the reseller is not in 11 possession of the tickets;

12 (2) That the reseller is making an offer to procure the tickets for the 13 prospective purchaser;

14 (3) An approximate date on which the tickets will be delivered to the 15 purchaser;

16 (4) The name or a description of the event for which the tickets will permit 17 entry;

18 (5) The total number of tickets included in the transaction;

19 (6) The number of tickets for seats that are together;

- 20 (7) The zone or section number of the tickets, to the extent applicable to 21 the venue; and
- 22 (8) For reserved seat tickets:
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(i) The seat numbers of the tickets; or

(ii) If applicable, that the reseller cannot guarantee the specific seats
because the tickets are speculative tickets.

26 (c) (1) A reseller shall refund to a purchaser any consideration or deposit paid 27 for tickets sold under this section if the reseller fails to obtain the tickets:

(i) Within 24 hours after the approximate date of delivery specified
 in subsection (b)(2) of this section, but before the commencement of the event for which the
 tickets were sold; or

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(ii) In conformity with the disclosures required under this section.

1 (2) A reseller shall make a refund required under this subsection not later 2 than 10 days after the final day of the event for which the tickets were sold].

# 3 (H) A SECONDARY TICKET EXCHANGE MAY NOT PROVIDE A MARKETPLACE 4 FOR THE RESALE OF A TICKET THAT VIOLATES THIS SECTION.

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect 6 October 1, 2024.