

1 HB435
2 174406-4
3 By Representatives Williams (JD), Coleman and Boyd
4 RFD: Commerce and Small Business
5 First Read: 17-MAR-16

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8 SYNOPSIS: Under existing law, an admission ticket that
9 was originally issued, sold, or authorized by an
10 organizer of or venue to athletic contests,
11 concerts, and other amusement events may be resold.

12 This bill would prohibit a ticket issuer,
13 primary ticket sales platform, or secondary ticket
14 exchange from: (1) penalizing or discriminating
15 against a ticket holder who transfers, resells, or
16 offers to resell his or her ticket; (2) penalizing,
17 discriminating against, or denying access to a
18 ticket holder who possesses a resold ticket based
19 solely on the grounds that the ticket has been
20 resold; (3) prohibiting or restricting the resale
21 or transfer of any tickets; or (4) using certain
22 delivery techniques or technological means to
23 preclude or hinder a consumer from reselling or
24 transferring tickets on a platform or exchange of
25 his or her choice.

26 This bill would also prohibit a person from
27 knowingly using or selling software to circumvent

1 or interfere with security measures, access control
2 systems, or other controls or measures on a primary
3 ticket sales platform or a secondary ticket
4 exchange.

5 Amendment 621 of the Constitution of Alabama
6 of 1901, now appearing as Section 111.05 of the
7 Official Recompilation of the Constitution of
8 Alabama of 1901, as amended, prohibits a general
9 law whose purpose or effect would be to require a
10 new or increased expenditure of local funds from
11 becoming effective with regard to a local
12 governmental entity without enactment by a 2/3 vote
13 unless: it comes within one of a number of
14 specified exceptions; it is approved by the
15 affected entity; or the Legislature appropriates
16 funds, or provides a local source of revenue, to
17 the entity for the purpose.

18 The purpose or effect of this bill would be
19 to require a new or increased expenditure of local
20 funds within the meaning of the amendment. However,
21 the bill does not require approval of a local
22 governmental entity or enactment by a 2/3 vote to
23 become effective because it comes within one of the
24 specified exceptions contained in the amendment.

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26 A BILL
27 TO BE ENTITLED

1 AN ACT

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3 To amend Section 8-19E-2, Code of Alabama 1975,
4 relating to the resale of admission tickets, to prohibit a
5 ticket issuer, primary ticket sales platform, or secondary
6 ticket exchange from engaging in certain action resulting in
7 penalties, discrimination, or denied access to an event
8 because the ticketholder resold or transferred his or her
9 ticket; to prohibit a person from using or selling certain
10 software to circumvent or interfere with certain security
11 measures on a primary ticket sales platform or secondary
12 ticket exchange; to provide that violations constitute a
13 deceptive trade practice; and in connection therewith would
14 have as its purpose or effect the requirement of a new or
15 increased expenditure of local funds within the meaning of
16 Amendment 621 of the Constitution of Alabama of 1901, now
17 appearing as Section 111.05 of the Official Recompilation of
18 the Constitution of Alabama of 1901, as amended.

19 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

20 Section 1. Section 8-19E-2, Code of Alabama 1975, is
21 amended to read as follows:

22 "§8-19E-2.

23 "(a) An admission ticket that was originally issued,
24 sold, or authorized by the organizer or venue to any athletic
25 contest, dance, theater, concert, circus, or other amusement
26 may be resold for an amount in excess of the price printed on
27 the face of the ticket.

1 "(b) A ticket issuer, primary ticket sales platform,
2 or secondary ticket exchange may not do any of the following:

3 "(1) Penalize or discriminate against a ticket
4 holder who transfers, resells, or offers to resell his or her
5 event ticket.

6 "(2) Penalize, discriminate against, or deny access
7 to an event ticket holder who possesses a resold event ticket
8 based solely on the grounds that, or the channel through
9 which, the event ticket has been resold.

10 "(3) Prohibit or restrict the resale or transfer of
11 any event tickets.

12 "(4) Use any delivery techniques or technological
13 means, including, but not limited to, electronic delivery
14 delays, that have the effect of precluding or hindering a
15 consumer from reselling or transferring event tickets on a
16 platform or exchange of his or her choice.

17 "(c) A person may not knowingly use or sell software
18 to circumvent, thwart, interfere with, or evade a security
19 measure, access control system, or other control or measure on
20 a primary ticket sales platform or a secondary ticket
21 exchange.

22 "(d) Notwithstanding any other provision of this
23 section, an operator of a venue or an agent of the operator
24 may do any of the following:

25 "(1) Maintain and enforce any policies regarding
26 conduct, age restrictions, or behavior at the venue.

1 "(2) Establish limits on the quantity of event
2 tickets purchased during an initial sale of the tickets.

3 "(3) Revoke or restrict season tickets for reasons
4 relating to violations of venue policies, including the
5 following:

6 "a. Concerns regarding the protection or safety of
7 individuals at the venue.

8 "b. Concerns regarding possible fraud or misconduct.

9 "(4)a. Restrict the offer for resale of event
10 tickets initially given or sold to individuals or groups as
11 part of a targeted promotion or a discounted price because of
12 the individuals' or groups' status.

13 "b. A restriction under this subdivision includes
14 groups or individuals characterized by a disability,
15 membership in a religious or civic organization, or economic
16 hardship and requires that tickets sold to certain individuals
17 or groups are both of the following:

18 "1. Not offered promotionally to the general public.

19 "2. Marked clearly.

20 "(5) Restrict the resale of event tickets initially
21 distributed by a not-for-profit education institution to
22 faculty, staff, and enrolled students, or suite tickets, for
23 athletic events involving athletes or teams of that
24 institution.

25 "(e) A violation of subsection (b) or (c) shall be a
26 deceptive trade practice under Chapter 19 of this title .

1 "(f) For the purposes of this section, the following
2 terms shall have the following meanings:

3 "(1) EVENT TICKET. Any physical, electronic, or
4 other form of a certificate, document, voucher, token, or
5 other evidence indicating that the bearer, possessor, or
6 person entitled to possession through purchase or otherwise
7 has a revocable or irrevocable right, privilege, or license to
8 enter an event venue or occupy a particular seat or area in an
9 event venue with respect to one or more events, or an
10 entitlement to purchase such a right, privilege, or license
11 with respect to one or more future events.

12 (2) PRIMARY TICKET SALES PLATFORM. A marketplace
13 operated by or on behalf of a ticket issuer for consumers for
14 the initial purchase of event tickets from a ticket issuer.

15 "(3) RESALE. Any form of transfer or alienation, or
16 offering for transfer or alienation, or possession or
17 entitlement to possession of an event ticket from one ticket
18 seller to a person, with or without consideration, whether in
19 person or by means of a telephone, mail, delivery service,
20 facsimile, Internet, email, or other electronic means. The
21 term does not include the initial sale of an event ticket by
22 the ticket issuer.

23 "(4) SECONDARY TICKET EXCHANGE. An electronic
24 marketplace that enables consumers to sell and purchase event
25 tickets, including, but not limited to, at resale.

1 "(5) TICKET ISSUER. Any person that makes tickets
2 available, directly or indirectly, to an entertainment event,
3 and may include any of the following:

4 "a. The operator of a venue.

5 "b. The sponsor or promoter of an event.

6 "c. A sports team participating in an event or a
7 league whose teams are participating in an event.

8 "d. A theatre company, musical group, or similar
9 participant in an event.

10 "e. An agent of any person listed in paragraphs a.
11 through d.

12 "(6) VENUE. A theatre, stadium, field, hall, or
13 other facility or area where an entertainment event takes
14 place.

15 Section 2. Although this bill would have as its
16 purpose or effect the requirement of a new or increased
17 expenditure of local funds, the bill is excluded from further
18 requirements and application under Amendment 621, now
19 appearing as Section 111.05 of the Official Recompilation of
20 the Constitution of Alabama of 1901, as amended, because the
21 bill defines a new crime or amends the definition of an
22 existing crime.

23 Section 3. This act shall become effective on the
24 first day of the third month following its passage and
25 approval by the Governor, or its otherwise becoming law.