

State of Minnesota

HOUSE OF REPRESENTATIVES

EIGHTY-SEVENTH SESSION

H. F. No. **657**

02/24/2011 Authored by Hoppe, Atkins, Sanders, Davids and Garofalo
The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform

03/16/2011 Adoption of Report: Pass as Amended and Read Second Time

05/23/2011 Pursuant to Rule 4.20, re-referred to the Committee on Commerce and Regulatory Reform

02/08/2012 Adoption of Report: Pass as Amended and Read Second Time

03/27/2012 Calendar for the Day, Amended
Read Third Time as Amended
Passed by the House as Amended and transmitted to the Senate to include Floor Amendments

1.1 A bill for an act

1.2 relating to commerce; regulating certain practices with respect to event tickets;

1.3 permitting restrictive ticketing systems; proposing coding for new law in

1.4 Minnesota Statutes, chapter 325E.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. **[325E.68] DEFINITIONS.**

1.7 Subdivision 1. **Terms.** For purposes of sections 325E.68 to 325E.70, the terms

1.8 defined in this section have the meanings given.

1.9 Subd. 2. **Event.** "Event" means a concert, theatrical performance, sporting event,

1.10 exhibition, show, or similar scheduled activity taking place in this state:

1.11 (1) that is open to the general public;

1.12 (2) for which an admission fee is charged; and

1.13 (3) that is held in a venue accommodating more than 2,500 persons, including

1.14 but not limited to those venues for which public funding has been provided for the

1.15 construction, maintenance, or operation of the venue or any infrastructure related to it, or

1.16 which is located on property owned by a municipality or other government entity.

1.17 Subd. 3. **Event ticket.** "Event ticket" means the physical, electronic, or other form

1.18 of a certificate, document, voucher, token, or other evidence indicating that the bearer,

1.19 possessor, or person entitled to possession through purchase or otherwise has:

1.20 (1) a revocable or irrevocable right, privilege, or license to enter an event venue or

1.21 occupy a particular seat or area in an event venue with respect to one or more events; or

1.22 (2) an entitlement to purchase a right, privilege, or license with respect to one or

1.23 more future events.

2.1 Subd. 4. **Resale.** "Resale" includes a form of transfer or alienation, or offering for
2.2 transfer or alienation, or possession or entitlement to possession of an event ticket from
2.3 one person to another, with or without consideration, whether in person or by means of
2.4 telephone, mail, delivery service, facsimile, Internet, e-mail, or other electronic means.
2.5 Resale does not include the initial sale of an event ticket by the ticket issuer.

2.6 Subd. 5. **Restrictive ticketing system.** "Restrictive ticketing system" means a
2.7 system that imposes license or contractual terms on the resale of event tickets, or that
2.8 restrict the price or other term and conditions under which a ticket may be resold or
2.9 transferred. It includes a system that employs technological means for the purpose or with
2.10 the foreseeable effect of prohibiting or restricting the resale of event tickets, including but
2.11 not limited to, issuing event tickets in an electronic form that is not readily transferrable to
2.12 a subsequent purchaser, or conditioning entry into the venue on presentation of a token,
2.13 such as the original purchaser's credit card or state-issued identification card, that cannot
2.14 be readily transferred to a subsequent purchaser.

2.15 Subd. 6. **Ticket issuer.** "Ticket issuer" means a person that makes event tickets
2.16 available, directly or indirectly, for initial sale to the general public, and may include the
2.17 operator of a venue, the sponsor or promoter of an event, a sports team participating in an
2.18 event or a league whose teams are participating in an event, a theater company, musical
2.19 group, or similar participant in an event, or an agent of any such person. Ticket issuer
2.20 does not include the State Agricultural Society, the Minnesota State High School League
2.21 and its members, the Minnesota Amateur Sports Commission, or a person involved in or
2.22 facilitating ticket resale.

2.23 Subd. 7. **Venue.** "Venue" means the theater, stadium, field, hall, or other facility
2.24 where an event takes place.

2.25 **Sec. 2. [325E.70] RESTRICTIVE TICKETING SYSTEMS PERMITTED;**
2.26 **CONDITIONS; STUDENT TICKET EXEMPTION.**

2.27 Subdivision 1. **Restrictive ticketing system permitted subject to conditions.** A
2.28 ticket issuer shall not employ a restrictive ticketing system unless the consumer is given
2.29 an option to purchase a ticket that the consumer can transfer at any price, and at any time,
2.30 independent of the operator or operator's agent.

2.31 Subd. 2. **Conditions for restrictive ticketing system.** A restrictive ticketing system
2.32 must adhere to the following conditions:

2.33 (1) the established face value price for any given ticket shall be the same regardless
2.34 of the form or transferability of such ticket; and

3.1 (2) reasonable service charges or fees may be applied to a transferable ticket option
3.2 within a restrictive ticketing system.

3.3 Subd. 3. **Exemption.** Event tickets that meet the following requirements are
3.4 exempt from this section:

3.5 (1) the event ticket is sold or given by a higher education institution to a student
3.6 of that institution;

3.7 (2) the event ticket is permitted to be used for admission to the event only by a
3.8 student of that higher education institution; and

3.9 (3) the event is sanctioned by that higher education institution.

3.10 Sec. 3. **EFFECTIVE DATE.**

3.11 This act is effective August 1, 2012.