

State of Misconsin 2007 - 2008 LEGISLATURE

## 2007 ASSEMBLY BILL 955

March 11, 2008 – Introduced by Representatives STASKUNAS, SINICKI, BERCEAU and ALBERS, cosponsored by Senator PLALE. Referred to Committee on Consumer Protection and Personal Privacy.

1 AN ACT to create 100.55 of the statutes; relating to: regulating commercial

 $\mathbf{2}$ 

ticket resellers and providing a penalty.

#### Analysis by the Legislative Reference Bureau

This bill regulates commercial ticket resellers (resellers), defined in the bill as persons who buy tickets to cultural or athletic events for the purpose selling the tickets to others.

Under the bill, the Department of Agriculture, Trade and Consumer Protection (DATCP) must grant a reseller's license to a person who submits an application, pays a \$500 fee, and provides a written description of the person's policy regarding refunds. A reseller's license must be renewed after one year.

The bill requires a licensed reseller to give a refund to a ticket purchaser if the event is canceled, if the purchaser is denied admission to the event, or if the ticket does not conform to a representation made about the ticket by the reseller. A licensed reseller must also maintain a permanent business office in this state, display the refund requirements under the bill at sales locations and Internet Web sites operated by the reseller, and post a \$25,000 bond or other surety with DATCP. The bill prohibits a reseller from acquiring more than 5 percent of the tickets to a single event, using intimidation to buy tickets, and obtaining tickets using software intended to circumvent limits on ticket purchases.

DATCP may revoke, deny, suspend, or limit the license of a reseller who violates the provisions of the bill. Also, DATCP may commence an action against a person who violates the provisions of the bill to recover a forfeiture not more than \$500 for each violation.

### **ASSEMBLY BILL 955**

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

# The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

| 1  | <b>SECTION 1.</b> 100.55 of the statutes is created to read:                       |
|----|--|
| 2  | 100.55 Commercial ticket resellers. (1) DEFINITIONS. In this section:              |
| 3  | (a) "Commercial ticket reselling" means selling a ticket to an event by a person   |
| 4  | who purchased the ticket for the purpose of selling the ticket to another.         |
| 5  | (b) "Event" means a cultural or athletic attraction for which a ticket is required |
| 6  | for admission, unless all tickets to the attraction are provided free of charge.   |
| 7  | (2) LICENSURE. (a) No person may engage in commercial ticket reselling to a        |
| 8  | customer in this state unless the person has been granted a commercial ticket      |
| 9  | reseller license by the department.  |
| 10 | (b) The department shall grant a commercial ticket reseller license to a person    |
| 11 | who does all of the following:   |
| 12 | 1. Submits to the department a license application on a form approved by the       |
| 13 | department.  |
| 14 | 2. Pays the department a \$500 fee.  |
| 15 | 3. Provides to the department a written description of the person's policy         |
| 16 | regarding refunds that is satisfactory to the department.                          |
| 17 | (c) A license granted under par. (b) shall expire one year after the date on which |
| 18 | the department granted the license.  |
| 19 | (d) The department shall renew a commercial ticket reseller license held by a      |
| 20 | commercial ticket reseller who does all of the following:                          |

2007 – 2008 Legislature

### **ASSEMBLY BILL 955**

| 1  | 1. Submits to the department a renewal application on a form approved by the          |
|----|---|
| 2  | department.   |
| 3  | 2. Pays the department a \$500 fee.   |
| 4  | (3) REQUIREMENTS. A person who holds a commercial ticket reseller license             |
| 5  | shall do all of the following:  |
| 6  | (a) Refund the amount paid by a ticket purchaser if any of the following apply:       |
| 7  | 1. The event for which the ticket grants admission is canceled.                       |
| 8  | 2. The ticket purchaser is denied admission to the event for which the ticket         |
| 9  | grants admission, if the ticket purchaser is not responsible for the denial.          |
| 10 | 3. The ticket does not conform to a representation about the ticket made by the       |
| 11 | commercial ticket reseller or by an agent of the commercial ticket reseller.          |
| 12 | (b) Maintain a permanent business office in this state.                               |
| 13 | (c) Prominently display the requirements under par. (a) at each Internet Web          |
| 14 | site or physical sales location operated by the commercial ticket reseller.           |
| 15 | (d) Post a bond or other surety with the department of \$25,000 to guarantee          |
| 16 | that the commercial ticket reseller will comply with this section and will not commit |
| 17 | fraud.  |
| 18 | (4) PROHIBITIONS. No person who holds a commercial ticket reseller license may        |
| 19 | do any of the following:  |
| 20 | (a) Acquire more than 5 percent of the tickets to a single event.                     |
| 21 | (b) Use intimidation to buy a ticket to an event.                                     |
| 22 | (c) Obtain tickets to an event by using computer software intended to                 |
| 23 | circumvent limits on ticket purchases imposed by a ticket seller.                     |
| 24 | (5) PENALTIES. (a) The department may revoke, deny, or limit a commercial             |
| 25 | ticket reseller license held by a person who violates this section.                   |

- 3 -

### **ASSEMBLY BILL 955**

4

1 (b) The department may commerce an action against a person who violates this 2 section for permanent or temporary injunctive relief, for a forfeiture not to exceed 3 \$500 for each violation of this section, or both.

(END)