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# A BILL FOR AN ACT

RELATING TO CONSUMER PROTECTION.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that recent events  
2 surrounding the concert appearance of one of Hawaii's own has  
3 brought to light the down side of unregulated runaway ticket  
4 sales. Not having any statutes on the books to protect  
5 consumers while still allowing ticket sales to continue leaves  
6 Hawaii's consumers lost and vulnerable to scalpers.

7           The legislature finds that Hawaii is one of two states in  
8 the nation that has no anti-scalping laws. Along with the use  
9 of automated software programs, such as bots, tickets are seized  
10 as they are made available causing the situation to explode like  
11 a grenade.

12           The legislature finds that in order to turn things around  
13 and move on, it is important to establish some baseline  
14 standards of consumer protection for concertgoers. While the  
15 headlines may have faded, the issues raised cannot be ignored if  
16 we are able to prevent old and crazy situations similar to what  
17 recently transpired.



1           The legislature further finds that although this may have  
2 been the first time that the conditions that precipitated these  
3 events has brought these issues to light, to leave things just  
4 the way they are would invite more incidents, whereby fans are  
5 unable to get access, including our neighbor island fans who  
6 travel a long distance for these special events.

7           The legislature finds that while news of the recent issues  
8 that occurred with a particular concert has subsided, it doesn't  
9 mean that this issue can't come back to the people if no action  
10 is taken. We must create a minimal standard of consumer  
11 protection in concert ticket sales without unduly burdening or  
12 diminishing access to quality events and entertainment.

13           SECTION 2. Chapter 481B, Hawaii Revised Statutes, is  
14 amended by adding two new sections to part I to be appropriately  
15 designated and to read as follows:

16           "**§481B-A Ticket sales; price limitations.** (a) Subject to  
17 subsection (b), no person shall sell or offer for sale any  
18 ticket of admission or any other evidence of a right of entry to  
19 an exhibition, game, contest, athletic competition, concert,  
20 performance, or any other event, at a price greater than the sum  
21 of:

22           (1) The price printed on the ticket;



1        (2) Any tax that the seller may lawfully collect on the  
2        price printed on the ticket; and

3        (3) Any reasonable charge for services actually rendered  
4        and directly relating to the cost of selling or  
5        offering to sell the ticket, which charge shall not  
6        exceed four hundred per cent of the price printed on  
7        the ticket.

8        (b) There shall be no violation of this section if:

9        (1) The person selling the ticket is the primary ticket  
10       seller;

11       (2) The ticket is for an event taking place outside of the  
12       State; or

13       (3) The ticket is sold or offered for sale through an  
14       internet website where the website operator:

15       (A) Guarantees a full refund of the amount paid for  
16       the ticket, and any applicable servicing,  
17       handling, or processing fees, if:

18       (i) The ticketed event is canceled;

19       (ii) The purchaser is denied admission to the  
20       ticketed event, unless such denial is due to  
21       the action or omission of the purchaser; or



1           (iii) The ticket is not delivered to the purchaser  
2                   in time for the purchaser to attend the  
3                   event; and

4           (B) Discloses that it is not the reseller of tickets  
5                   and that the price of tickets listed on that  
6                   website may be higher than their original value.

7           (c) Each violation of this section shall be subject to the  
8                   remedies provided in section 481B-4; provided that each sale or  
9                   offer for sale shall constitute a separate violation.

10           (d) As used in this section, "primary ticket seller" means  
11                   an owner or operator of a venue or sports team, manager or  
12                   provider of an event, event promoter, a provider of ticketing  
13                   services or an agent of such owner, operator, manager or  
14                   provider, that engages in the primary sale of tickets for an  
15                   event or retains the authority to otherwise distribute tickets.

16           **§481B-B Circumvention of online ticket purchase processes.**

17           (a) No person shall use computer software to circumvent a  
18                   security measure, access control system, or other control or  
19                   measure on a ticket seller's website that is used to ensure an  
20                   equitable process for purchasing tickets, for the purpose of  
21                   obtaining any ticket for subsequent sale in a manner that  
22                   violates section 481B-A.



1           **(b) A person found in violation of this section shall be**  
2 **subject to an administrative fine of \$1,000 for each ticket**  
3 **obtained in a manner that violates this section.**

4           **(c) For purposes of this section, "ticket" means any**  
5 **ticket of admission or any other evidence of a right of entry to**  
6 **an exhibition, game, contest, athletic competition, concert,**  
7 **performance, or any other event taking place in the State."**

8           SECTION 3. Section 440-17, Hawaii Revised Statutes, is  
9 amended to read as follows:

10           **"§440-17 Admission tickets.** All tickets of admission to  
11 any boxing contest for which admission fees are charged and  
12 received shall have printed clearly upon the face thereof the  
13 purchase price of same, and no ticket shall be sold [~~for more~~  
14 ~~than the price as printed thereon.~~] in a manner that violates  
15 section 481B-A."

16           SECTION 4. Section 440E-13, Hawaii Revised Statutes, is  
17 amended to read as follows:

18           **"[~~§~~440E-13[~~]~~] Admission tickets.** All tickets of  
19 admission to any mixed martial arts contest for which admission  
20 fees are charged and received shall have printed clearly upon  
21 the face thereof the purchase price of same, and no ticket shall



1 be sold for more than the [~~price as printed thereon.~~] amount  
2 allowed under section 481B-A."

3 SECTION 5. Section 481B-15, Hawaii Revised Statutes, is  
4 amended by amending subsection (c) to read as follows:

5 "(c) . For the purposes of this section, "ticket broker"  
6 means any person [~~engaged in the business of~~] whose primary  
7 business purpose is selling or reselling tickets of admission or  
8 any other evidence of right of entry to a theater, place of  
9 amusement or entertainment, or other place where public  
10 exhibitions, games, contests, or performances are held[~~, at a~~  
11 ~~price greater than the price printed on the ticket~~]."

12 SECTION 6. This Act does not affect rights and duties that  
13 matured, penalties that were incurred, and proceedings that were  
14 begun before its effective date.

15 SECTION 7. In codifying the new sections added by section  
16 2 of this Act, the revisor of statutes shall substitute  
17 appropriate section numbers for the letters used in designating  
18 the new sections in this Act.

19 SECTION 8. Statutory material to be repealed is bracketed  
20 and stricken. New statutory material is underscored.

21 SECTION 9. This Act shall take effect on July 1, 2112.



**Report Title:**

Ticket Scalping; Circumvention of Online Ticket Purchase Processes; Unfair and Deceptive Practices

**Description:**

Makes using software to circumvent online safeguards to purchase event tickets for the purpose of scalping and selling or offering event tickets for more than face value plus taxes and specified service charges unfair and deceptive practices in the conduct of trade or commerce. Imposes fines. Effective July 1, 2112. (HB2012 HD2)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

