
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 twenty-seven states
2 have laws on ticket scalping. These laws vary from complete
3 bans on ticket scalping, capping the profit that ticket scalpers
4 can earn; restricting the time, place, and manner of ticket
5 scalping; and regulating scalpers through licensing and other
6 requirements. Twenty other states do not regulate ticket
7 scaling at the state level and leave the regulation of ticket
8 scalping up to the counties. However, the legislature further
9 finds that Hawaii only prohibits ticket scalping at boxing and
10 mixed martial arts events.

11 The legislature additionally finds that when events sell
12 out, a secondary market of profiteers, known as scalpers, begins
13 to profit from the scarcity of tickets, much to the dismay of
14 potential buyers who were unable to acquire tickets through
15 primary channels. The resale of tickets far in excess of the
16 tickets' face value hurts all parties connected with a promotion
17 except the scalper. The use of illicit computer software, known



1 as bots, to electronically circumvent the ticket buying process
2 also impedes the public's fair access to ticket sales.

3 The legislature therefore concludes that state regulation
4 of ticket sales practices and ticket scalping will benefit
5 Hawaii consumers.

6 Accordingly, the purpose of this Act is to:

- 7 (1) Prohibit the sale of tickets to an exhibition, game,
8 concert, and other events at prices greater than the
9 sum of the price printed on the ticket, any lawful
10 taxes collected, and any reasonable charge for
11 services;
- 12 (2) Specify that no ticket sales for events in Hawaii
13 shall commence before 8:00 a.m. Hawaii standard time
14 or before the primary ticket seller commences ticket
15 sales;
- 16 (3) Specify requirements for tickets sold or offered for
17 sale through an internet website;
- 18 (4) Establish requirements for disclosures relating to
19 fees and taxes and number of available tickets;
- 20 (5) Establish remedies for violations of event ticket
21 sales practices and ticket scalping; and



1 (6) Make the circumvention of online ticket purchases
2 through the use of illicit computer software a
3 misdemeanor.

4 SECTION 2. Chapter 481B, Hawaii Revised Statutes, is
5 amended by adding a new part to be appropriately designated and
6 to read as follows:

7 **"PART . EVENT TICKET SALES PRACTICES AND TICKET SCALPING**

8 **§481B-A Definitions.** As used in this part, unless the
9 context requires otherwise:

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

16 **§481B-B Ticket sales; price limitations; website sales**

17 **requirements.** (a) Subject to subsection (b), no person shall
18 sell or offer for sale any ticket of admission or any other
19 evidence of a right of entry to an exhibition, game, contest,
20 athletic competition, concert, performance, or any other event,
21 at a price greater than the sum 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) Notwithstanding subsection (d)(1), no ticket sales for
9 an event in Hawaii shall commence before 8:00 a.m. Hawaii
10 standard time or before the primary ticket seller commences
11 ticket sales.

12 (c) If the ticket is sold or offered for sale through an
13 internet website by a person other than a primary ticket seller,
14 the website operator shall:

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

18 (A) The ticketed event is canceled;

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



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

3 (2) Disclose that it is not the reseller of tickets and
4 that the price of the ticket listed on that website
5 may be higher than the ticket's original value.

6 (d) There shall be no violation of this section if:

7 (1) The person selling the ticket is the primary ticket
8 seller; or

9 (2) The ticket is for an event taking place outside of the
10 State.

11 (e) Each violation of this section shall be subject to the
12 remedies provided in section 481B-D; provided that each sale or
13 offer for sale shall constitute a separate violation.

14 **§481B-C Disclosures, fees and taxes, available tickets.**

15 (a) A primary ticket seller shall disclose all applicable taxes
16 and fees that may be assessed on a ticket sale on the same web
17 page or physical display that lists the price of the ticket.

18 (b) A primary ticket seller shall disclose the total
19 number of tickets available in a ticket sale on a publicly
20 available website or at the venue box office.

21 **§481B-D Remedies.** (a) Any violation of this part shall
22 constitute unfair methods of competition and unfair and



1 deceptive acts or practices in the conduct of any trade or
2 commerce under section 480-2.

3 (b) Any agreement entered into by a consumer for the
4 purchase of a ticket that waives, limits, or disclaims any of
5 the rights set forth in this part shall be void as contrary to
6 public policy.

7 (c) No agreement to arbitrate any dispute arising from the
8 purchase or sale of a ticket subject to this part shall be
9 enforceable against any consumer.

10 (d) A penalty issued pursuant to subsection (a) is in
11 addition to remedies otherwise available against the same
12 conduct under the common law or other statutes of this State.

13 **§481B-E Ticket brokers; fees; cancellation.** (a) No
14 ticket broker shall charge a fee for the use of a credit card to
15 purchase tickets without first disclosing that a fee will be
16 charged.

17 (b) A ticket broker shall refund any and all service fees
18 charged for the purchase of a ticket when the public exhibition,
19 game, contest, or performance for which the ticket was purchased
20 is canceled.

21 (c) For the purposes of this section, "ticket broker"
22 means any person whose primary business purpose is selling or



1 reselling tickets of admission or any other evidence of right of
2 entry to a theater, place of amusement or entertainment, or
3 other place where public exhibitions, games, contests, or
4 performances are held."

5 SECTION 3. Chapter 708, Hawaii Revised Statutes, is
6 amended by adding a new section to part IX to be appropriately
7 designated and to read as follows:

8 **"§708- Circumvention of online ticket purchase**

9 **processes.** (a) No person shall use computer software to
10 circumvent a security measure, access control system, or other
11 control or measure on a ticket seller's website that is used to
12 ensure an equitable process for purchasing tickets.

13 (b) A person found in violation of this section shall be
14 guilty of a misdemeanor.

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

19 SECTION 4. Section 440-17, Hawaii Revised Statutes, is
20 amended to read as follows:

21 **"§440-17 Admission tickets.** All tickets of admission to
22 any boxing contest for which admission fees are charged and

1 received shall have printed clearly upon the face thereof the
2 purchase price of same, and no ticket shall be sold [~~for more~~
3 ~~than the price as printed thereon.~~] in a manner that violates
4 section 481B-B."

5 SECTION 5. Section 440E-13, Hawaii Revised Statutes, is
6 amended to read as follows:

7 "~~[+]§440E-13[+]~~ **Admission tickets.** All tickets of
8 admission to any mixed martial arts contest for which admission
9 fees are charged and received shall have printed clearly upon
10 the face thereof the purchase price of same, and no ticket shall
11 be sold for more than the [~~price as printed thereon.~~] amount
12 allowed under section 481B-B."

13 SECTION 6. Section 481B-15, Hawaii Revised Statutes, is
14 repealed.

15 "~~[§481B-15] Ticket brokers, fees, cancellation.~~ (a) No
16 ~~ticket broker shall charge a fee for the use of a credit card to~~
17 ~~purchase tickets without first disclosing that a fee will be~~
18 ~~charged.~~

19 (b) ~~A ticket broker shall refund any and all service fees~~
20 ~~charged for the purchase of a ticket when the public exhibition,~~
21 ~~game, contest, or performance for which the ticket was purchased~~
22 ~~is canceled.~~



1 ~~(c) For the purposes of this section, "ticket broker"~~
2 ~~means any person engaged in the business of selling tickets of~~
3 ~~admission or any other evidence of right of entry to a theater,~~
4 ~~place of amusement or entertainment, or other place where public~~
5 ~~exhibitions, games, contests, or performances are held, at a~~
6 ~~price greater than the price printed on the ticket."]~~

7 SECTION 7. This Act does not affect rights and duties that
8 matured, penalties that were incurred, and proceedings that were
9 begun before its effective date.

10 SECTION 8. In codifying the new sections added by section
11 2 of this Act, the revisor of statutes shall substitute
12 appropriate section numbers for the letters used in designating
13 the new sections in this Act.

14 SECTION 9. Statutory material to be repealed is bracketed
15 and stricken. New statutory material is underscored.

16 SECTION 10. This Act shall take effect on July 1, 2112.



Report Title:

Event Ticket Sales Practices; Ticket Scalping; Price Limitations; Website Sales Requirements; Disclosures; Remedies; Unfair and Deceptive Practices; Circumvention of Online Ticket Purchase Processes

Description:

Prohibits the sale of tickets to an exhibition, game, concert, and other events at prices greater than the sum of the price printed on the ticket, any lawful taxes collected, and any reasonable charge for services. Specifies that no ticket sales for events in Hawaii shall commence before 8:00 a.m. Hawaii standard time or before the primary ticket seller commences ticket sales. Specifies requirements for tickets sold or offered for sale through an internet website. Establishes requirements for disclosures relating to fees and taxes and number of available tickets. Establishes remedies. Makes the circumvention of online ticket purchases through the use of illicit computer software a misdemeanor. Effective July 1, 2112. (SD1)

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