The <u>B</u>etter <u>O</u>versight of <u>S</u>econdary <u>S</u>ales and <u>A</u>ccountability in <u>C</u>oncert <u>T</u>icketing <u>A</u>ct of 2019 (BOSS ACT)

Section 1 – Short Title

Specifies the title of the bill as the "Better Oversight of Secondary Sales and Accountability in Concert Ticketing Act of 2019"

Section 2 – Definitions

This section defines the various terms used in this legislation.

Section 3 – Transparency in Ticket Marketplace

This section requires the Federal Trade Commission (FTC) to promulgate rules within 180 days and under expedited rulemaking procedures, regarding the primary sale, distribution, and pricing of tickets. The rules must include the following requirements:

- 1. That a primary ticket seller disclose the total number of tickets for sale to the general public within 7 days of tickets becoming available for sale.
- 2. That a primary ticket seller must disclose all ancillary charges to customers before they select a ticket for purchase. The price of the ticket cannot change during the purchase process.
- 3. The primary ticket seller must include all ancillary charges in any refund provided.
- 4. The primary ticket seller may not restrict a purchaser from reselling tickets.
- 5. The primary ticket seller may not institute a price floor on reselling tickets.
- 6. The primary ticket seller must disclose any guarantee or refund policy at time of sale.

Section 4 – Rules for the Secondary Marketplace

This section requires the Federal Trade Commission (FTC) to promulgate rules within 180 days and under expedited rulemaking procedures, regarding the secondary sale, distribution, and pricing of tickets. The rules must include the following requirements:

- 1. Secondary market companies must verify that the secondary ticket reseller is in possession of a ticket, or has made clear the secondary ticket reseller does not possess the ticket with an explanation on how to obtain a refund if the purchaser receives a ticket that does not match the description.
- 2. Online resale marketplace discloses to purchaser when the secondary seller is the primary ticket seller, venue, team, or artist associated with the event.
- 3. Secondary market companies must disclose all ancillary charges to customers before they select a ticket. In addition, ticket sellers must display total cost including all ancillary charges in price quotes and advertisements. Prevents the price of the ticket from changing in the selection and purchase process.
- 4. Requires secondary ticket sales marketplaces to disclose the face value of each ticket, the location of the tickets seat or space, and the date and time of purchase if the secondary ticket sales marketplace purchased the ticket during a public sale.

- 5. Requires the secondary ticket sales marketplace disclose if it guarantees delivery of tickets to a purchaser and if it fails to deliver the tickets requires a full refund be provided for the total cost of the ticket, including all ancillary charges.
- 6. Requires that the secondary ticket sales marketplace disclose to a person purchasing a ticket any delivery guarantee policy.
- 7. Requires a secondary ticket sales marketplace not make any representation of affiliation or endorsement with a venue, team, or artist, without the express written consent of the venue, team, or artist. For online secondary ticket sales marketplaces, a requirement that a clear and conspicuous notice be published that they are engaged in the secondary sale of tickets.
- 8. A prohibition on the secondary sale of tickets by individual employees of venues, primary ticket sellers, teams, artists, online resale marketplaces, or box offices that are involved in hosting, promoting, performing in, or selling tickets if the sale is or knows will be sold at a higher price than the primary sale of the ticket.
- 9. A reseller shall not sell a ticket for the same seat to more than one person at the same time.
- 10. A requirement that no person event shall be sanctioned or denied admission because a ticket was resold or gifted.

<u>Section 5 – Enforcement</u>

This section specifies that the FTC may enforce violations of these rules as unfair or deceptive acts prescribed under section 18(a)(1)(B) of the Federal Trade Commission Act.

State Attorneys General may bring a civil action on behalf of its residents if they have reason to believe that their residents will be adversely affected by a violation of the prescribed rules.

The statute provides for an explicit private right of action for an injunction or damages and may recover from such person damages for such injury plus \$1,000 for each violation.

<u>Section 6 – Nonpreemption</u>

This section clarifies that states may make laws providing protection to purchases as provided in this act.

Section 7 – FTC Study

This section commissions a study of the ticket market to determine the effect of the Commission's enforcement actions of the BOTS Act (Public Law 114–274) since it was enacted on December 14, 2016