# STATE OF NEW YORK

4923

2023-2024 Regular Sessions

## IN SENATE

February 17, 2023

- Introduced by Sens. SKOUFIS, KRUEGER, MAY -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations
- AN ACT to amend the arts and cultural affairs law, in relation to instituting civil penalties for utilizing ticket purchasing software (Part A); to amend the arts and cultural affairs law, in relation to establishing an annual professional reseller renewal fee and requiring professional ticket resellers to provide their New York state ticket reseller license number (Part B); to amend the arts and cultural affairs law, in relation to providing criteria for when a purchaser may obtain a full refund of the amount paid for a ticket (Part C); to amend the arts and cultural affairs law, in relation to resale requirements for tickets (Part D); to amend the arts and cultural affairs law, in relation to unlawful charges in connection with tickets (Part E); to amend the arts and cultural affairs law, in relation to the availability of tickets for sale to the general public (Part F); to amend the arts and cultural affairs law, in relation to minimum seating capacity requirements for a professional sports organization membership pass (Part G); to amend the general obligations law, in relation to prohibiting exclusivity clauses in contracts between operators of places of entertainment and primary ticket vendors (Part H); and to amend the arts and cultural affairs law, in relation to the resale of tickets included in a subscription or season ticket package (Part I)

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. This act enacts into law components of legislation that 2 relate to live event ticket sales. Each component is wholly contained 3 within a Part identified as Parts A through I. The effective date for 4 each particular provision contained within such Part is set forth in the 5 last section of such Part. Any provision in any section contained within

EXPLANATION--Matter in <u>italics</u> (underscored) is new; matter in brackets [-] is old law to be omitted.

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1 a Part, including the effective date of the Part, which makes reference 2 to a section "of this act", when used in connection with that particular 3 component, shall be deemed to mean and refer to the corresponding 4 section of the Part in which it is found, unless noted otherwise.

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#### PART A

6 Section 1. Subdivision 10 of section 25.24 of the arts and cultural 7 affairs law, as added by chapter 110 of the laws of 2018, is amended to 8 read as follows:

9 [Any person, firm, corporation or other entity who is a licensee 10. under this article who is adjudicated guilty of the following acts may 10 lose their license and may be barred from licensure under this article 11 12 for a period not to exceed three years to be determined by the depart-13 ment of state pursuant to section 25.31 of this article if such licen-14 see: (a) knowingly utilized ticket purchasing software in order to 15 purchase tickets; (b) knowingly resold or offered to resell a ticket that such licensee knew was obtained using ticket purchasing software; or (c) intentionally maintained any interest in or maintained any 16 17 control of the operation of ticket purchasing software to purchase tick-18 19 ets. ] (a) Any person, firm, corporation, or other entity who is a licen-20 see under this article who is adjudicated quilty of the following acts shall lose their license and shall be permanently barred from licensure 21 under this article pursuant to section 25.31 of this article if such 22 23 licensee: (i) knowingly utilized ticket purchasing software in order to 24 purchase tickets; (ii) knowingly resold or offered to resell a ticket 25 that such licensee knew was obtained using ticket purchasing software; 26 or (iii) intentionally maintained any interest in or maintained any 27 control of the operation of ticket purchasing software to purchase tick-28 ets.

(b) Failure to notify the attorney general of such acts pursuant to this article shall result in a violation and such person, firm, corporation or other entity who fails to make such notification shall be subject to a civil penalty in an amount of no less than five hundred dollars and no more than one thousand dollars per ticket purchased or resold utilizing such ticket purchasing software.

(c) Any person, firm, corporation or other entity who notifies the attorney general of such acts pursuant to this article, where the attorney general takes action pursuant to the notification which results in a monetary penalty assessed under a violation pursuant to this article, shall be entitled to five percent of the final penalty collected as a result of such violation.

41 § 2. This act shall take effect on the sixtieth day after it shall 42 have become a law.

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#### PART B

Section 1. Section 25.03 of the arts and cultural affairs law is
amended by adding a new subdivision 11 to read as follows:
<u>11. "Professional reseller" means a reseller, also referred to as a</u>
<u>ticket broker, and includes any person, firm, corporation or other enti-</u>
<u>ty that is involved in the business of the resale of tickets. Individ-</u>
<u>uals who do not regularly engage in the business of reselling tickets.</u>

- 50 who resell fewer than thirty tickets per year and who obtain the tickets
- 51 for such individual's personal use or the use of friends and family, are
- 52 not deemed professional resellers for the purposes of this article.

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§ 2. Subdivision 1 of section 25.13 of the arts and cultural affairs law, as amended by chapter 374 of the laws of 2007, is amended to read as follows: 1. (a) No [person, firm or corporation] professional reseller shall resell or engage in the business of reselling any tickets to a place of entertainment or operate an internet website or any other electronic service that provides a mechanism for two or more parties to participate in a resale transaction or that facilitates resale transactions by the means of an auction, or own, conduct or maintain any office, branch office, bureau, agency or sub-agency for such business without having first procured a license or certificate for each location at which business will be conducted from the secretary of state. Any operator or manager of a website that serves as a platform to facilitate resale, or resale by way of a competitive bidding process, solely between third

15 parties and does not in any other manner engage in resales of tickets to 16 places of entertainment shall be exempt from the licensing requirements 17 of this section. The department of state shall issue and deliver to such applicant a certificate or license to conduct such business and to own, 18 19 conduct or maintain a bureau, agency, sub-agency, office or branch 20 office for the conduct of such business on the premises stated in such 21 application upon the payment by or on behalf of the applicant of a fee 22 of five thousand dollars and shall be renewed upon the payment of [a like fee annually.] an annual renewal fee pursuant to paragraph (b) of 23 this subdivision. Such license or certificate shall not be transferred 24 25 or assigned, except by permission of the secretary of state. Such license or certificate shall run to the first day of January next ensu-26 27 ing the date thereof, unless sooner revoked by the secretary of state. 28 Such license or certificate shall be granted upon a written application setting forth such information as the secretary of state may require in 29 30 order to enable him or her to carry into effect the provisions of this 31 article and shall be accompanied by proof satisfactory to the secretary 32 of state of the moral character of the applicant.

(b) The annual professional reseller renewal fee shall be:

(i) for a professional reseller that resells more than thirty tickets
 but less than one hundred tickets per year, an annual renewal fee of two
 thousand dollars to maintain a professional reseller license;

37 (ii) for a professional reseller that resells one hundred or more 38 tickets but less than two hundred tickets per year, an annual renewal 39 fee of three thousand dollars to maintain a professional reseller 40 license; and

(iii) for a professional reseller that resells two hundred or more
 tickets per year, an annual renewal fee of four thousand dollars to
 maintain a professional reseller license.

(c) "Tickets" shall mean, for purposes of paragraph (b) of this subdivision: (i) each resold ticket not originally purchased by the professional reseller as part of a season or subscription ticket package; or (ii) a set of resold tickets originally purchased by the professional reseller as part of a season or subscription ticket package.

49 § 3. Section 25.19 of the arts and cultural affairs law, as amended by 50 chapter 110 of the laws of 2018, is amended to read as follows:

51 § 25.19. Posting of license or certificate. 1. For the purposes of 52 this section, "online resale marketplace" means any operator or manager 53 of a website or other electronic service that resells tickets or serves 54 as a platform to facilitate resale, or resale by way of a competitive 55 bidding process.

2. Immediately upon the receipt of the license or certificate issued 1 2 pursuant to this article by the secretary of state, the licensee named 3 therein shall cause such license to be posted and at all times displayed in a conspicuous place in the principal office of such business for 4 5 which it is issued, and shall cause the certificate for each branch 6 office, bureau, agency or sub-agency to be posted and at all times 7 displayed in a conspicuous place in such branch office, bureau, agency 8 or sub-agency for which it is issued, so that all persons visiting such 9 principal office, branch office, bureau, agency or sub-agency may readi-10 ly see the same, and if such licensee does business on the internet, 11 including via a retail ticket purchasing platform, to provide a license 12 number displayed in a conspicuous manner or a hyperlink displayed in a conspicuous manner to a scanned copy of such license. Such license or 13 14 certificate shall at all reasonable times be subject to inspection by 15 the secretary of state or his or her authorized inspectors. It shall be 16 unlawful for any person, firm, partnership or corporation holding such 17 license or certificate to post such license or certificate or to permit such certificate to be posted upon premises other than those described 18 19 therein or to which it has been transferred pursuant to the provisions of 20 this article or unlawfully to alter, deface or destroy any such 21 license or certificate. For purposes of this section, the term "retail 22 ticket purchasing platform" shall mean a retail ticket purchasing 23 website, application, phone system, or other technology platform used to 24 sell tickets.

3. (a) An online resale marketplace shall require professional resellers to provide their New York state ticket reseller license number as a
condition of utilizing an online resale marketplace to resell tickets.
(b) An online resale marketplace shall disclose in a clear and
conspicuous manner a notice on the advertisement or offer of a ticket or
tickets that such ticket or tickets being purchased are being resold by
a licensed New York state professional reseller.

32 § 4. This act shall take effect on the sixtieth day after it shall 33 have become a law; provided, however, that the amendments to sections 34 25.03, 25.13 and 25.19 of the arts and cultural affairs law made by 35 sections one, two and three of this act shall not affect the repeal of 36 such sections and shall be deemed repealed therewith.

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## PART C

38 Section 1. Subdivision 2 of section 25.07 of the arts and cultural 39 affairs law, as amended by chapter 61 of the laws of 2007, is amended 40 and a new subdivision 5 is added to read as follows:

41 2. Notwithstanding any other provision of law, any person, firm or corporation, regardless of whether or not licensed under this article, 42 that sells tickets or facilitates the sale of tickets, resells tickets 43 44 or facilitates the resale or resale auction of tickets between independ-45 ent parties by any means, must guarantee to each purchaser of such sold 46 or resold tickets that the person, firm or corporation will provide a full refund of the amount paid by the purchaser (including, but not 47 limited to, all fees, regardless of how characterized), unless the 48 purchaser elects to retain such tickets or a credit equal to or in 49 50 excess of the full amount paid by the purchaser in lieu of a full refund within thirty days of receiving such notice of an opportunity for a 51 52 **refund**, if any of the following occurs: (a) the event for which such 53 ticket has been sold or resold is cancelled, provided that if the event 54 is cancelled then actual handling and delivery fees need not be refunded

as long as such previously disclosed guarantee specifies that such fees 1 will not be refunded; (b) the ticket received by the purchaser does not 2 3 grant the purchaser admission to the event described on the ticket, for 4 reasons that may include, without limitation, that the ticket is coun-5 terfeit or that the ticket has been cancelled by the issuer due to non-6 payment, or that the event described on the ticket was cancelled for any 7 reason prior to purchase of the sold or resold ticket, unless the ticket 8 is cancelled due to an act or omission by such purchaser;  $[\bullet r]$  (c) the 9 ticket fails to conform to its description as advertised unless the 10 buyer has pre-approved a substitution of tickets; (d) the event for 11 which such ticket has been sold or resold is postponed more than once in 12 a calendar year; (e) the event for which such ticket has been sold or resold has been rescheduled to a subsequent date more than one year from 13 14 the initial event date; or (f) the event for which such ticket has been 15 sold or resold has been postponed and has not been rescheduled within three months after the initial event date. Upon the occurrence of any 16 17 of the aforementioned events, the seller or reseller shall notify the purchaser of such tickets and shall provide a thirty-day window during 18 which the purchaser may elect to retain such tickets, receive a credit 19 20 equal to or in excess of the full amount paid by the purchaser or 21 receive a full refund. If, at the end of the thirty-day window, the 22 purchaser of such tickets does not choose one of the aforementioned options, they shall receive an immediate full refund for the amount paid 23 by the purchaser including but not limited to all fees, regardless of 24 25 how characterized. The secretary of state shall promulgate rules and regulations regarding notification procedures and shall determine a 26 27 sufficient refund time period, which shall be no less than thirty days 28 following the occurrence of a triggering event. 29 5. Notwithstanding any other provision of law, any person, firm or corporation, regardless of whether or not licensed under this article or

30 31 designated as a professional reseller or an online resale marketplace, 32 that resells tickets or facilitates the resale or resale auction of 33 tickets between independent parties by any means, shall quarantee with-34 out restriction to each purchaser of such resold tickets that the person, firm or corporation will honor, communicate and facilitate, if 35 36 so requested by such purchaser, all opportunities for refunds, 37 exchanges, credits or other remedies due to event cancellation or postponement that are publicly offered by a primary ticket seller, as 38 39 defined in subdivision twelve of section 25.03 of this article, to 40 original purchasers of such tickets.

41 § 2. This act shall take effect on the sixtieth day after it shall 42 have become a law, provided, however, that the amendments to section 43 25.07 of the arts and cultural affairs law made by section one of this 44 act shall not affect the repeal of such section and shall be deemed 45 repealed therewith.

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#### PART D

47 Section 1. Section 25.10 of the arts and cultural affairs law, as added by chapter 110 of the laws of 2018, is amended to read as follows: 48 § 25.10. Ticket resale requirements. 1. It shall be unlawful for a 49 50 licensee or other ticket reseller to advertise for the sale of tickets, contract for the sale of tickets, contract to obtain tickets for anoth-51 er, or accept consideration for payment in full or for a deposit for the 52 sale of tickets unless [such licensee or other ticket reseller meets one 53 54 or more of the following requirements ] and until:

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1	(a) such licensee or other ticket reseller has the offered ticket in
2	its possession or has a written contract to obtain the offered ticket at
3	a certain price from a person or entity in possession of the ticket or
4	from a person or entity who has a contractual right to obtain such tick-
5	et; and
б	(b) [such licensee or other ticket reseller has a written contract to
7	obtain the offered ticket at a certain price from a person in possession
8	of the ticket or from a person who has a contractual right to obtain
9	<del>such ticket; or</del>
10	(c) such licensee or other ticket reseller informs the purchaser in a
11	clear and conspicuous manner and in plain language at the time of offer-
12	ing such ticket for sale and in a written notice prior to the completion
13	of the transaction that such licensee or other ticket reseller does not
14	have possession of the ticket, has no contract to obtain the offered
15	ticket at a certain price from a person in possession of the ticket or
16	from a person who has a contractual right to obtain such ticket, may not
17	be able to supply the ticket at the contracted price or range of prices,
18	and requires such purchaser to expressly confirm prior to completing the
19	transaction that the purchaser has read such notice.
20	2. Nothing in this section shall prohibit a licensee or other ticket
21	reseller from accepting a deposit from a prospective purchaser for a
22	resale pursuant to paragraph (c) of subdivision one of this section,
23	provided that such licensee or other ticket reseller informs the
24	purchaser in writing prior to receipt of consideration of the terms of
25	the deposit agreement, and includes in the written notice the disclo-
26	sures otherwise required by this section. If a licensee or ticket
27	reseller has entered into a contract with or received consideration from
28	a prospective purchaser for the sale of a ticket or tickets and cannot
29	supply such ticket or tickets at the contracted price or price range,
30	such licensee or ticket reseller shall refund any monies paid by such
31	prospective purchaser within ten business days of receipt of a request
32	for a refund from such purchaser.
33	3.] tickets to the event have been placed on sale by the venue or
34	entity hosting the event or its authorized agent. For the purposes of
35	this section, "placed on sale" shall mean the date and time when tickets
36	are made available for sale to the general public, excluding any prior
37	sales to fan clubs, businesses, and persons for promotional activities.
38	This paragraph shall not apply to season or subscription ticket holders.
39	2. Nothing in this section shall be construed to nullify, expand,
40	restrict, or otherwise amend or modify now existing laws or regulations
41	outside of this article, and nothing in this section shall be construed
42	as making lawful any fraudulent, deceptive, or illegal act or practice
43	that is unlawful pursuant to now existing laws or regulations.
44	[4.] 3. The attorney general shall have jurisdiction to enforce the
45	provisions of this section in accordance with the powers granted to him
46	or her by section sixty-three of the executive law.
47	§ 2. This act shall take effect on the sixtieth day after it shall
48	have become a law; provided, however, that the amendments to section
49	25.10 of the arts and cultural affairs law made by section one of this
50	act shall not affect the repeal of such section and shall be deemed
51	repealed therewith.
52	PART E

53 Section 1. Section 25.03 of the arts and cultural affairs law is 54 amended by adding two new subdivisions 12 and 13 to read as follows: S. 4923

7 <u>means an ow</u>

12. "Primary ticket seller" means an owner or operator of a venue or 1 sports team, a manager or provider of an event, or a provider of ticket-2 3 ing services or an agent of such owner, operator, manager, or provider 4 that engages in the primary sale of tickets for an event or retains the 5 authority to otherwise distribute tickets. б 13. "Placed on sale" means the date and time when tickets are made 7 available for sale to the general public, excluding any prior sales to 8 fan clubs, businesses, and persons for promotional activities. 9 § 2. Section 25.29 of the arts and cultural affairs law, as amended by 10 section 1 of part E of chapter 358 of the laws of 2022, is amended to 11 read as follows: 12 § 25.29. Unlawful charges in connection with tickets. 1. No operator 13 of any place of entertainment, or his or her agent, representative, 14 employee or licensee shall, if a price be charged for admission thereto, 15 exact, demand, accept or receive, directly or indirectly, any premium or price in excess of the established price plus lawful taxes whether 16 17 designated as price, gratuity or otherwise; provided, however: (a) nothing in this article shall be construed to prohibit a reasonable service 18 19 charge of fifteen or less percent of the price of a ticket prior to the addition of any charges by [the operator or agents of the operator] any 20 21 person, firm or corporation, regardless of whether or not licensed under 22 this article, that sells tickets or facilitates the sale of tickets, 23 resells tickets or facilitates the resale or resale auction of tickets 24 between independent parties by any means for special services [, includ-25 ing but not limited to, actually rendered or otherwise in connection to customer support, technological and software infrastructure, and actual 26 27 operational costs for sales away from the box office [, credit card sales 28 or delivery]; (b) it shall be an unlawful act for a primary ticket sell-29 er that earns greater revenue through the primary sale of tickets than 30 the resale of tickets from charging any fee whatsoever to resell tickets 31 originally purchased from such seller; and [(b)] (c) nothing in this 32 article shall be construed to prohibit an operator or its agent from 33 offering for initial sale tickets by means of an auction. 34 2. A reasonable and actual cost for the physical delivery of tickets 35 may be charged by the seller or reseller based on the method of delivery 36 selected by the purchaser; provided, however, that no delivery fee shall 37 be charged by a seller or reseller for tickets delivered electronically or tickets that may be printed independently by the purchaser. 38 39 Any person, firm or corporation, regardless of whether or not 3. licensed under this article, that sells tickets or facilitates the sale 40 of tickets is prohibited from requiring a minimum price for the resale 41 of any tickets purchased from a primary ticket seller. 42 43 4. Under no circumstances shall any person, firm or corporation,

44 regardless of whether or not licensed under this article, that sells 45 tickets or facilitates the sale of tickets increase displayed prices of tickets while a purchaser: (i) is waiting in a physical or virtual 46 47 queue, room or similar location or sequence established to await the purchase of tickets; (ii) has the ability to select and review tickets 48 49 from a physical or virtual list or map but has not yet completed the purchase; or (iii) is completing the physical or virtual checkout proc-50 ess to purchase tickets. Notwithstanding the provisions of this subdivi-51 52 sion, any person, firm or corporation that sells tickets or facilitates 53 the sale of tickets may place reasonable and uniform restrictions on the 54 length of time allowed for a purchaser of tickets to review and complete 55 each transaction.

1 <u>5.</u> In any prosecution under this section the attorney general shall 2 have concurrent jurisdiction with any district attorney and in any such 3 prosecution he or she or his or her deputy shall exercise all the powers 4 and perform all the duties which the district attorney would otherwise 5 be authorized to exercise or perform therein.

6 § 3. This act shall take effect on the sixtieth day after it shall 7 have become a law; provided, however, that the amendments to sections 8 25.03 and 25.29 of the arts and cultural affairs law made by sections 9 one and two of this act shall not affect the repeal of such sections and 10 shall be deemed repealed therewith.

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PART F

12 Section 1. The arts and cultural affairs law is amended by adding a 13 new section 25.04 to read as follows:

14 <u>§ 25.04. Tickets withheld from sale to general public. 1. Primary</u> 15 ticket sellers shall disclose and display on the website, at the box office and any other method of ticket distribution of such primary tick-16 et seller, the total number of tickets offered for sale to the general 17 18 public by such primary ticket seller not less than seven days before the 19 date on which tickets shall be available for primary sale. The total 20 number shall be periodically updated by the primary ticket seller if and when additional tickets are subsequently released for sale to the gener-21 22 al public. This subdivision shall not apply to: (i) venues with a seat-23 ing capacity of less than six thousand five hundred guests; or (ii) 24 places of entertainment such as fair grounds, amusement parks, museums, 25 observatories, ski resorts, ice skating rinks and other recreational 26 facilities or events wherein rides, exhibits and displays, games or 27 activities of skill or chance or the sale of food, beverages, toys and 28 souvenirs constitute the main uses.

29 2. It shall be an unlawful practice for a primary ticket seller or any 30 person or entity who has access to tickets to an event prior to the 31 tickets' release for sale to the general public to withhold such tickets 32 from sale to the general public in an amount exceeding ten percent of all available seating for the event. Tickets distributed to bona fide 33 34 charitable groups or initially reserved due to event production holds, 35 including but not limited to pending seating, lighting, or stage configurations, that are subsequently released to the general public shall not 36 37 be included within this amount. This subdivision shall not apply to places of entertainment such as fair grounds, amusement parks, museums, 38 observatories, ski resorts, ice skating rinks and other recreational 39 40 facilities or events wherein rides, exhibits and displays, games or 41 activities of skill or chance or the sale of food, beverages, toys and 42 souvenirs constitute the main uses.

43 3. It shall be an unlawful practice for an individual employee of any 44 venue, primary ticket seller, team, artist, online resale marketplace, 45 box office or any other entity that is involved in hosting, promoting, 46 performing or ticket selling to resell tickets that have been withheld from the general public for a higher price than the primary sale of the 47 ticket or resell tickets to any third party that may have intentions, 48 actually or constructively known by such employee, to resell the ticket 49 50 for a higher price than the total cost of the ticket, including all 51 ancillary charges.

52 § 2. This act shall take effect on the sixtieth day after it shall 53 have become a law; provided, however, that the amendments to article 25 54 of the arts and cultural affairs law made by section one of this act 1 shall not affect the repeal of such article and shall be deemed repealed 2 therewith.

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## PART G

4 Section 1. Section 25.12 of the arts and cultural affairs law, as 5 added by chapter 110 of the laws of 2018, is amended to read as follows: б § 25.12. Professional sports organization membership pass. Notwith-7 standing section 25.30 of this article, an operator of a place of enter-8 tainment or such operator's agent may offer paperless tickets which do 9 not allow for independent transferability provided that such tickets are 10 included in a membership pass at a discounted price offered by a professional sports organization for seating in venues or stadiums with a 11 12 fixed capacity of over [thirty] thirteen thousand five hundred seats 13 that guarantees entry to a specified number of events in a specified 14 time period with seat assignments assigned no more than four hours prior 15 to the commencement of the event and such seat assignment must be variable from game to game and not intended for season ticket holders. Tick-16 ets provided under such membership pass may be restricted from being 17 18 transferred or resold, including through the operator or operators' 19 agents, and must be clearly marked as such prior to initial offering or 20 sale. Such membership pass shall not mean a subscription or season ticket package offered for sale and shall not result in the sale of more 21 than five percent of the maximum amount of all seats that will be made 22 23 available at a venue for a particular event to be sold under this 24 section.

§ 2. This act shall take effect on the sixtieth day after it shall have become a law; provided, however, that the amendments to section 27 25.12 of the arts and cultural affairs law made by section one of this act shall not affect the repeal of such section and shall be deemed repealed therewith.

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### PART H

31	Section 1. The general obligations law is amended by adding a new
32	section 5-338 to read as follows:
33	§ 5-338. Agreements between operators of places of entertainment and
34	primary ticket vendors. 1. For the purposes of this section, the follow-
35	ing terms shall have the following meanings:
36	(a) "Entertainment" means all forms of entertainment including, but
37	not limited to, theatrical or operatic performances, concerts, motion
38	pictures, all forms of entertainment at fairgrounds, amusement parks and
39	all types of athletic competitions including football, basketball, base-
40	ball, boxing, tennis, hockey, and any other sport, and all other forms
41	of diversion, recreation or show.
42	(b) "Operator" means any person who owns, operates, or controls a
43	place of entertainment or who promotes or produces an entertainment.
44	(c) "Place of entertainment" means any privately or publicly owned and
45	operated entertainment facility such as a theatre, stadium, arena, race-
46	track, museum, amusement park, or other place where performances,
47	concerts, exhibits, athletic games or contests are held for which an
48	entry fee is charged.
49	(d) "Primary ticket seller" means an owner or operator of a venue or
50	sports team, a manager or provider of an event, or a provider of ticket-
51	ing services or an agent of such owner, operator, manager, or provider

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that engages in the primary sale of tickets for an event or retains the 1 2 authority to otherwise distribute tickets. (e) "Ticket" means any evidence of the right of entry to any place of 3 entertainment. 4 5 2. A contract between an operator of places of entertainment and a 6 primary ticket vendor shall not provide for the primary ticket vendor to 7 be the exclusive and sole primary ticket vendor for the operator of 8 places of entertainment.

3. It shall be unlawful to threaten or to seek to enforce a provision
made unlawful under this section or to otherwise penalize an operator of
a place of entertainment for entering into an agreement with another
primary ticket seller.
4. Any waiver of the provisions of this section is contrary to public

<u>4. Any waiver of the provisions of this section is contrary to public</u>
 <u>policy and thus is void and unenforceable.</u>

15 5. This section shall not require an operator of a place of enter-16 tainment to enter into an agreement with a primary ticket seller or 17 require that an operator of a place of entertainment have an agreement 18 with multiple primary ticket sellers.

19 § 2. This act shall take effect on the first of January next succeed-20 ing the date on which it shall have become a law, and shall apply to 21 contracts entered into on or after such date.

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## PART I

23 Section 1. Paragraph (a) of subdivision 1 of section 25.30 of the arts 24 and cultural affairs law, as amended by chapter 151 of the laws of 2010, 25 is amended to read as follows:

26 (a) restrict by any means the resale of any tickets included in a 27 subscription or season ticket package to or via a licensee under section 28 25.13 of this article or via a website that serves as a platform to 29 facilitate resale as defined under section 25.13 of this article as a 30 condition of purchase, as a condition to retain such tickets for the 31 duration of the subscription or season ticket package agreement, or as a 32 condition to retain any [contractually agreed upon] rights to purchase future subscription or season ticket packages that are otherwise 33 34 conferred in the subscription or season ticket agreement or extended to 35 subscribers not engaged in the resale market as a general policy of the team, promoter, or venue. Further, it shall be unlawful to charge a 36 37 different rate to any such subscriber solely because the subscriber has 38 resold or may resell tickets;

39 § 2. This act shall take effect on the sixtieth day after it shall 40 have become a law, provided, however, that the amendments to paragraph 41 (a) of subdivision 1 of section 25.30 of the arts and cultural affairs 42 law made by section one of this act shall not affect the repeal of such 43 section and shall be deemed repealed therewith.

44 § 2. Severability clause. If any clause, sentence, paragraph, subdivi-45 sion, section or part of this act shall be adjudged by any court of 46 competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in 47 48 its operation to the clause, sentence, paragraph, subdivision, section 49 or part thereof directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of 50 51 the legislature that this act would have been enacted even if such 52 invalid provisions had not been included herein.

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1 § 3. This act shall take effect immediately; provided, however, that 2 the applicable effective date of Parts A through I of this act shall be 3 as specifically set forth in the last section of such Parts.