# STATE OF NEW YORK

9549

# IN SENATE

May 16, 2024

Introduced by Sen. MAY -- read twice and ordered printed, and when printed to be committed to the Committee on Cultural Affairs, Tourism, Parks and Recreation

AN ACT to amend the arts and cultural affairs law, in relation to prohibiting ticket sales that exceed the capacity of a place of entertainment, and requiring original sellers of tickets to be licensed by the secretary of state

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

Section 1. Section 25.03 of the arts and cultural affairs law is amended by adding a new subdivision 11 to read as follows:

**11. "Sale" means any sale of a ticket for entrance to a place of entertainment located within the boundaries of the state of New York by an operator or such operator's agent who is expressly authorized to make first sales of such tickets. The term "sale" shall include sales by any means, including in person, or by means of telephone, mail, delivery service, facsimile, internet, email or other electronic means, where the venue for which the ticket grants admission is located in New York state. The term "sale" shall not apply to any governmental or not-for-profit organization, or person acting on behalf of such governmental or not-for-profit organization, as long as any profit realized from ticket selling is wholly dedicated to the purposes of such governmental or not-for-profit organization.**

§ 2. The section heading of section 25.10 of the arts and cultural affairs law, as added by chapter 110 of the laws of 2018, is amended and a new subdivision 5 is added to read as follows:

Ticket **sale and** resale requirements.

**5. No operator or other ticket seller or reseller shall sell tickets to any place of entertainment in an amount that would exceed the capacity of such place of entertainment.**

§ 3. The section heading and subdivision 1 of section 25.13 of the arts and cultural affairs law, the section heading as amended by chapter 61 and subdivision 1 as amended by chapter 374 of the laws of 2007, are amended to read as follows:

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

LBD15093-01-4

Licensing of ticket **sellers and** resellers. 1. No person, firm or corporation shall **sell or** resell**,** or engage in the business of **selling or** 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 **sale or** resale transaction or that facilitates **sale or** 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 parties and does not in any other manner engage in resales of tickets to places of entertainment shall be exempt from the licensing requirements 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, conduct or maintain a bureau, agency, sub-agency, office or branch office for the conduct of such business on the premises stated in such application upon the payment by or on behalf of the applicant of a fee of five thousand dollars and shall be renewed upon the payment of a like fee annually. Such license or certificate shall not be transferred or assigned, except by permission of the secretary of state. Such license or certificate shall run to the first day of January next ensuing the date thereof, unless sooner revoked by the secretary of state. Such license or certificate shall be granted upon a written application setting forth such information as the secretary of state may require in order to enable [~~him or her~~] **the secretary of state** to carry into effect the provisions of this article and shall be accompanied by proof satisfactory to the secretary of state of the moral character of the applicant.

§ 4. Section 25.17 of the arts and cultural affairs law, as amended by chapter 61 of the laws of 2007, is amended to read as follows:

§ 25.17. Supervision and regulation. The secretary of state shall have power, upon complaint of any person or on [~~his or her~~] **the secretary of state** own initiative, to investigate the business, business practices and business methods of any such licensee which relates to this state's or any other state's ticket **sale or** resale law, or in regards to ticket **sale or** resale practices generally. Each such licensee shall be obliged, on the reasonable request of the secretary of state, to supply such information as may be required concerning [~~his or her~~] **such licensee's** business, business practices or business methods provided that the information requested is related to the complaint which forms the basis of such investigation. Each operator of any place of entertainment shall also be obliged, on request of the secretary of state, to supply such information as may be required concerning the business, business practices or business methods of any licensee provided that the information requested is related to the complaint which forms the basis of such investigation. The secretary of state shall have the power to promulgate such rules and regulations as may be deemed necessary for the enforcement of this article.

§ 5. Subdivision 1 of section 25.23 of the arts and cultural affairs law, as amended by chapter 110 of the laws of 2018, is amended to read as follows:

1. In every principal office or branch office, bureau, agency or sub-agency of any licensee under this article, there shall be conspicuously posted and at all times displayed a price list showing the established

price charged by the operator of the place of entertainment for which a ticket is being sold by such licensee, together with the price being charged by such licensee for the **sale or** resale of such ticket, so that all persons visiting such place may readily see the same. The licensee shall also on request furnish each purchaser of a ticket with a receipt showing the same information. Further, if the licensee conducts business through the use of the internet, the same price list, or hyperlink to the same, shall be conspicuously displayed on the internet page on which tickets are accessed. In addition the licensee shall publish in a conspicuous place, or hyperlink to on the internet a statement clearly detailing the required guarantees required by section 25.07 of this article.

§ 6. This act shall take effect immediately; provided, however, that the amendments to sections 25.03, 25.10, 25.13, 25.17 and 25.23 of the arts and cultural affairs law made by sections one, two, three, four and five of this act shall not affect the repeal of such sections and shall be deemed repealed therewith.