

CHAPTER 394

AN ACT concerning the resale of tickets of admission to places of entertainment, amending P.L.1966, c.39 and amending and supplementing P.L.1983, c.135.

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

1. Section 1 of P.L.1983, c.135 (C.56:8-26) is amended to read as follows:

C.56:8-26 Definitions.

1. As used in this act:
 - a. "Director" means the director of the Division of Consumer Affairs in the Department of Law and Public Safety.
 - b. "Division" means the Division of Consumer Affairs in the Department of Law and Public Safety.
 - c. "Person" means corporations, companies, associations, societies, firms, partnerships and joint stock companies as well as individuals.
 - d. "Place of entertainment" means any privately or publicly owned and operated entertainment facility within this State, such as a theater, stadium, museum, arena, racetrack or other place where performances, concerts, exhibits, games or contests are held and for which an entry fee is charged.
 - e. "Ticket" means any piece of paper which indicates that the bearer has paid for entry or other evidence which permits entry to a place of entertainment.
 - f. "Ticket broker" means any person situated in and operating in this State who is involved in the business of reselling tickets of admission to places of entertainment and who charges a premium in excess of the price, plus taxes, printed on the tickets.
 - g. "Resale" means a sale by a person other than the owner or operator of a place of entertainment or of the entertainment event or an agent of any such person.
 - h. "Resell" means to offer for resale or to consummate a resale.
 - i. "Digger" means a person temporarily hired for the purpose of securing tickets by intimidating a purchaser waiting in line to procure event tickets.

2. Section 2 of P.L.1983, c.135 (C.56:8-27) is amended to read as follows:

C.56:8-27 Requirements for ticket broker.

2. No ticket broker shall engage in or continue in the business of reselling tickets for admission to a place of entertainment without meeting the following requirements:
 - a. Owning, operating or maintaining a permanent office, branch office, bureau, agency, or other place of business, not including a post office box, for the purpose of reselling tickets;
 - b. Obtaining a certificate of registration to resell or engage in the business of reselling tickets from the director;
 - c. Listing the ticket broker's registration number in any form of advertisement or solicitation in which tickets are being sold for the purpose of purchase by the general public for events in this State;
 - d. Maintaining records of ticket sales, deposits and refunds for a period of not less than two years from the time of any of these transactions;
 - e. Disclosing to the purchaser, by means of verbal description or a map, the location of the seats represented by the tickets;
 - f. Disclosing to the purchaser the cancellation policy of that broker;
 - g. Disclosing that a service charge is added by the ticket broker to the stated price on the tickets and is included by the broker in any advertisement or promotion for an event;
 - h. Disclosing to the purchaser, whenever applicable, that the ticket broker has a guarantee policy. If a ticket broker guarantees delivery of tickets to a purchaser and fails to deliver the tickets, the ticket broker shall provide a full refund for the cost of the tickets;
 - i. Disclosing to the purchaser of tickets when he is utilizing a tentative order policy, popularly known as a "try and get." When a ticket broker fails to obtain tickets on a "try and get" basis, the broker shall refund any deposit made by a purchaser of those tickets within a reasonable time, as shall be determined by the director;
 - j. When guaranteeing tickets in conjunction with providing a tour package, a ticket broker

who fails to provide a purchaser with those tickets shall refund fully the price of the tour package and tickets; and

k. Providing to a purchaser of tickets who cancels an order a full refund for the cost of the tickets less shipping charges, if those tickets are returned to the broker within three days after receipt; provided, that when tickets are purchased within seven days of an event, a refund shall be given only if the tickets are returned within one day of receipt; and further provided, that no refund shall be given on any tickets purchased within six days of an event unless the ticket broker is able to resell the tickets.

3. Section 3 of P.L.1983, c.135 (C.56:8-28) is amended to read as follows:

C.56:8-28 Application for registration, fee.

3. a. The division shall prepare and furnish to applicants for registration application forms and requirements prescribed by the director pertaining to the applications for and the issuance of certificates of registration to ticket brokers.

b. Every applicant for a certificate of registration to engage in the business of reselling tickets as a ticket broker shall file a written application with the division on the form furnished by, and consistent with, the regulations prescribed by the director.

c. Each application shall be accompanied by a fee which shall be determined by the director and shall not exceed \$500, and a description of the location where the applicant proposes to conduct his business.

4. Section 4 of P.L.1983, c.135 (C.56:8-29) is amended to read as follows:

C.56:8-29 Issuance of certificate of registration.

4. a. Within 120 days after receipt of the completed application, fee and bond, if any, and when the director is satisfied that the applicant has complied with all of the requirements of this act, the director shall grant and issue a certificate of registration to the applicant.

b. The certificate of registration granted may be renewed for a period of two years upon the payment of a renewal fee which shall be determined by the director and shall not exceed \$500.

c. No certificate of registration shall be transferred or assigned without the approval of the director. Any request for a change in the location of the premises operated by any registrant situated in and operating in this State shall be submitted to the director in writing no less than 30 days prior to that relocation. The certificate of registration shall run to January 1 in the second year next ensuing the date thereof unless sooner revoked by the director.

5. Section 5 of P.L.1983, c.135 (C.56:8-30) is amended to read as follows:

C.56:8-30 Bond required to engage in business of reselling tickets as a ticket broker.

5. The director shall require the applicant for a certificate of registration to engage in the business of reselling tickets as a ticket broker to file with the application a bond in the amount of \$10,000.00 with two or more sufficient sureties or an authorized surety company, which bond shall be approved by the director.

Each bond shall be conditioned on the promise that the applicant, his agents or employees will not be guilty of fraud or extortion, will not violate any of the provisions of this act, will comply with the rules and regulations promulgated by the director, and will pay all damages occasioned to any person by reason of misstatement, misrepresentation, fraud or deceit or any unlawful act or omission in connection with the provisions of this act and the business conducted under this act.

6. Section 8 of P.L.1983, c.135 (C.56:8-33) is amended to read as follows:

C.56:8-33 Price charged printed on ticket, maximum premium for reseller.

8. a. Each place of entertainment shall print on the face of each ticket and include in any advertising for any event the price charged therefor. Tickets printed prior to the enactment of P.L.2001, c.394 (C.56:8-35.1 et al.) shall have endorsed thereon the maximum premium not to

exceed 20% of the ticket price or \$3.00, whichever is greater, plus lawful taxes, at which the ticket may be resold. Tickets printed on or after the effective date of P.L.2001, c.394 (C.56:8-35.1 et al.) shall have endorsed thereon the maximum premium not to exceed 20% of the ticket price or \$3.00, whichever is greater, plus lawful taxes, at which the ticket may be resold, except for tickets resold by registered ticket brokers or season ticket holders.

b. No person other than a registered ticket broker or season ticket holder shall resell or purchase with the intent to resell a ticket for admission to a place of entertainment at a maximum premium in excess of 20% of the ticket price or \$3.00, whichever is greater, plus lawful taxes. No registered ticket broker or season ticket holder shall resell or purchase with the intent to resell a ticket for admission to a place of entertainment at a premium in excess of 50% of the price paid to acquire the ticket, plus lawful taxes.

7. Section 9 of P.L.1983, c.135 (C.56:8-34) is amended to read as follows:

C.56:8-34 Reselling tickets prohibited in certain area;exceptions.

9. a. No person shall resell or purchase with the intent to resell any ticket, in or on any street, highway, driveway, sidewalk, parking area, or common area owned by a place of entertainment in this State, or any other area adjacent to or in the vicinity of any place of entertainment in this State as determined by the director; except that a person may resell, in an area which may be designated by a place of entertainment in this State, any ticket or tickets originally purchased for his own personal or family use at no greater than the lawful price permitted under this act.

C.56:8-35.1 Withholding tickets from sale, prohibited amount.

8. It shall be an unlawful practice for a person, who has access to tickets to an event prior to the tickets' release for sale to the general public, to withhold those tickets from sale to the general public in an amount exceeding 5% of all available seating for the event.

C.56:8-35.2 Refunds prohibited under certain circumstances.

9. A purchaser of tickets who places a special order with a ticket broker for tickets that are not in stock or are obtained for a purchaser's specific need and are paid for in advance by the ticket broker, shall not be eligible to receive a refund for that purchase unless the ticket broker is able to find someone else to purchase the tickets and as long as the purchaser is notified in advance of this policy.

10. Section 1 of P.L.1966, c.39 (C.56:8-13) is amended to read as follows:

C.56:8-13 Penalties.

1. Any person who violates any of the provisions of the act to which this act is a supplement shall, in addition to any other penalty provided by law, be liable to a penalty of not more than \$10,000 for the first offense and not more than \$20,000 for the second and each subsequent offense. The penalty shall be exclusive of and in addition to any moneys or property ordered to be paid or restored to any person in interest pursuant to section 2 of P.L.1966, c.39 (C.56:8-14) or section 3 of P.L.1971, c.247 (C.56:8-15).

C.56:8-35.3 Method for lawful sell back.

11. The director and places of entertainment shall create a method for season ticket holders and other ticket holders to lawfully sell back tickets to the venue for events they will not be able to attend.

C.56:8-35.4 Use of digger unlawful.

12. It shall be an unlawful practice for a person to use a digger to acquire any ticket.

13. This act shall take effect on the 90th day following enactment.

Approved January 8, 2002.