

Reprinted April 12, 2019

ENGROSSED SENATE BILL No. 554

DIGEST OF SB 554 (Updated April 11, 2019 4:36 pm - DI 132)

Citations Affected: IC 5-28; IC 24-5; IC 36-7.

Synopsis: Economic development and ticket sales. Provides that the Indiana economic development corporation (IEDC) may renew an enterprise zone that is established in an inactive or closed military base (enterprise zone) for not more than 10 years subject to certain criteria. Provides that a reuse authority, following the expiration of an (Continued next page)

Effective: July 1, 2019.

Garten, Grooms, Boots, Merritt, Head, Tallian, Houchin, Raatz

(HOUSE SPONSORS - CLERE, MORRISON, MANNING, FLEMING, BARTLETT, BOSMA, ENGLEMAN, DAVISSON, GOODIN, KARICKHOFF, VANNATTER, CHERRY, MORRIS)

January 15, 2019, read first time and referred to Committee on Appropriations. January 28, 2019, amended, reported favorably — Do Pass. January 31, 2019, read second time, ordered engrossed. Engrossed. February 4, 2019, read third time, passed. Yeas 49, nays 0.

HOUSE ACTION

HOUSE ACTION March 5, 2019, read first time and referred to Committee on Commerce, Small Business and Economic Development. March 21, 2019, amended, reported — Do Pass. Referred to Committee on Ways and Means pursuant to Rule 127. March 28, 2019, amended, reported — Do Pass. April 1, 2019, referred to Committee on Judiciary. April 8, 2019, amended, reported — Do Pass. April 11, 2019, read second time, amended, ordered engrossed.



Digest Continued

enterprise zone over which the reuse authority had jurisdiction, may, subject to the approval of the IEDC, certify a business that is located within the boundaries of the enterprise zone for a tax credit, deduction, or exemption that could have been available to the business had the enterprise zone not expired. Provides that a business that is certified by a reuse authority to receive a tax credit, deduction, or exemption must assist the reuse authority in an amount determined by the reuse authority. Provides that a zone business that received a tax credit, deduction, or exemption in an enterprise zone before the phase out of the enterprise zone and claims the tax credit, deduction, or exemption after the phase out must pay to the reuse authority the same fee or amount that the zone business would have paid to the urban enterprise association before the expiration of the enterprise zone. Provides that the IEDC shall make a determination on grants from the twenty-first century research and technology fund (fund) to a district board established in Lafayette or Fort Wayne by September 1 if a district board established in Lafayette or Fort Wayne applies for a grant. Provides that a ticket issuer shall not issue a ticket exclusively through a delivery method that substantially prevents the ticket purchaser from lawfully transferring or reselling the ticket through certain methods. Provides that a person shall not be discriminated against or denied admission to any event in certain instances. Provides that a web site operator may not use an Internet domain name or any subdomain in a ticket web site's URL that contains certain names. Provides that using an Internet domain name or any subdomain that contains certain names is a deceptive act.



Reprinted April 12, 2019

First Regular Session of the 121st General Assembly (2019)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in this style type, and deletions will appear in this style type.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or *this style type* reconciles conflicts between statutes enacted by the 2018 Regular and Special Session of the General Assembly.

ENGROSSED SENATE BILL No. 554

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 5-28-15-11, AS AMENDED BY P.L.146-2018, 2 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE 3 JULY 1, 2019]: Sec. 11. (a) Notwithstanding any other provision of this 4 chapter, one (1) or more units (as defined in IC 36-1-2-23) may declare 5 all or any part of a military base or another military installation that is 6 inactive, closed, or scheduled for closure as an enterprise zone. The 7 declaration shall be made by a resolution of the legislative body of the 8 unit that contains the geographic area being declared an enterprise 9 zone. The legislative body must include in the resolution that a U.E.A. 10 is created or designate another entity to function as the U.E.A. under 11 this chapter. The resolution must also be approved by the executive of 12 the unit.

(b) If the resolution is approved, the executive shall file the
resolution and the executive's approval with the corporation. If an
entity other than a U.E.A. is designated to function as a U.E.A., the
entity's acceptance must be filed with the corporation along with the
resolution. The enterprise zone designation is effective on the first day



1 of the month following the day the resolution is filed with the 2 corporation. 3 (c) An enterprise zone that is established under this section is 4 not subject to the expiration and renewal provisions under section 5 10 of this chapter. Instead, the corporation may review the success 6 of an enterprise zone established under this section based on the 7 following criteria and may renew the enterprise zone, including all 8 provisions of this chapter, for not more than ten (10) years: 9 (1) Increases in capital investment in the zone. 10 (2) Retention of jobs and creation of jobs in the zone. 11 SECTION 2. IC 5-28-15.5-5, AS ADDED BY P.L.238-2017, 12 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE 13 JULY 1, 2019]: Sec. 5. (a) For each state fiscal year beginning after 14 June 30, 2019, until a district expires under section 3 of this 15 chapter, if a district board applies for a grant under section 8(a)(3) of this chapter, the corporation may shall, before September 1, make 16 17 a determination on grants from the Indiana twenty-first century 18 research and technology fund established under IC 5-28-16-2 to a 19 district board established in: 20 (1) the city of Lafayette; and 21 (2) the city of Fort Wayne. 22 (b) The total amount of grant money that a district board established 23 in the city of Lafayette may receive during a state fiscal year may not 24 exceed one million dollars (\$1,000,000). 25 (c) The total amount of grant money that a district board established in the city of Fort Wayne may receive during a state fiscal year may not 26 27 exceed one million dollars (\$1,000,000). (d) Except as provided in subsection (e), one hundred percent 28 29 (100%) of grant money awarded to a district board under this section 30 must be used by the district board for programs or projects that 31 support entrepreneurship, small business development, technology 32 development, and innovation. 33 (e) A district board may use grant money awarded under this 34 section to reimburse itself for costs incurred before the grant 35 money was awarded if the costs are attributable to the purposes 36 described in subsection (d). 37 (e) (f) The corporation may develop guidelines, without complying 38 with IC 4-22-2, for awarding grants under this section. 39 SECTION 3. IC 24-5-27 IS ADDED TO THE INDIANA CODE AS 40 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 41 1, 2019]: 42 **Chapter 27. Ticket Sales**



1 Sec. 1. This chapter does not apply to tickets issued for athletic 2 or sporting events. 3 Sec. 2. As used in this chapter, "Internet domain name" means 4 a globally unique, hierarchical reference to an Internet host or 5 service, which is assigned through centralized Internet naming 6 authorities and which is comprised of a series of character strings 7 separated by periods, with the right most string specifying the top 8 of the hierarchy. 9 Sec. 3. As used in this chapter, "person" means an individual, a 10 corporation, a business trust, an estate, a trust, a partnership, an 11 association, a nonprofit corporation or organization, a cooperative, 12 or any other legal entity. 13 Sec. 4. As used in this chapter, "resale of tickets" means the act 14 of selling a valid and previously purchased ticket to a person who 15 is not: 16 (1) the original purchaser of the ticket; or 17 (2) the ticket issuer. 18 Sec. 5. As used in this chapter, "ticket issuer" means any person 19 that makes tickets available, directly or indirectly, for an 20 entertainment event. The term includes the following: 21 (1) The operator of a venue. 22 (2) The sponsor or promoter of an entertainment event. 23 (3) A theater company, musical group, or similar participant 24 in an entertainment event. 25 (4) An agent of any person or entity described in subdivisions 26 (1) through (3). 27 Sec. 6. As used in this chapter, "ticket platform" means a 28 marketplace that enables consumers to purchase and sell tickets. 29 Sec. 7. As used in this chapter, "ticket web site" means an 30 Internet web site: 31 (1) advertising the sale of tickets; 32 (2) offering the sale of tickets; or 33 (3) offering tickets for resale; 34 to an event in this state. 35 Sec. 8. As used in this chapter, "URL" means an Internet web 36 site's uniform resource locator. 37 Sec. 9. As used in this chapter, "venue" means an arena, 38 stadium, theater, concert hall, or other place of exhibition or 39 performance in this state. 40 Sec. 10. As used in this chapter, "web site operator" means a 41 person: 42 (1) owning;

1 (2) operating; or 2 (3) controlling; 3 a ticket web site for an event scheduled at a venue. 4 Sec. 11. (a) A ticket issuer shall not issue a ticket exclusively 5 through a delivery method that substantially prevents the ticket 6 purchaser from lawfully transferring or reselling the ticket 7 through the following methods: 8 (1) Independently of the ticket issuer. 9 (2) A ticketing platform chosen by the ticket purchaser. 10 (b) A person shall not be discriminated against or denied 11 admission to an event solely because the person: 12 (1) transferred or resold a ticket; or 13 (2) purchased or received a transferred or resold ticket; 14 on a specific platform. 15 Sec. 12. (a) This section does not apply to a web site operator 16 that is authorized by the venue to be acting upon the venue's 17 behalf. 18 (b) A web site operator may not intentionally use an Internet 19 domain name or any subdomain in a ticket web site's URL that 20 contains any of the following: 21 (1) The name of the venue. 22 (2) The name of the exhibition or performance. 23 (3) The name of the person or entity scheduled to perform or 24 appear at the venue. 25 (4) Any name substantially similar to the name of the venue, 26 exhibition, or performance. 27 (c) A person who violates this section commits a deceptive act 28 that is actionable by the attorney general and is subject to the 29 remedies and penalties under IC 24-5-0.5. 30 SECTION 4. IC 36-7-30-25.1 IS ADDED TO THE INDIANA 31 CODE AS A NEW SECTION TO READ AS FOLLOWS 32 [EFFECTIVE JULY 1, 2019]: Sec. 25.1. (a) This section applies only 33 to a reuse authority that had jurisdiction over an enterprise zone 34 established under IC 5-28-15-11 that is expired under IC 5-28-15. 35 (b) As used in this section, "incentive" means a tax credit, 36 deduction, or exemption available under: 37 (1) IC 6-1.1-45; 38 (2) IC 6-3-3-10; 39 (3) IC 6-3.1-7 (before its expiration); and 40 (4) IC 6-3.1-10 (before its expiration). 41 (c) Subject to the approval of the Indiana economic development 42 corporation, a reuse authority may certify a business that is located

within the boundaries of an enterprise zone (before its expiration) 1 2 for one (1) or more incentives described in subsection (b)(1) 3 through (b)(4). 4 (d) A business wishing to receive a certification for an incentive 5 must apply to the reuse authority in the form and in the manner 6 prescribed by the reuse authority. 7 (e) If a reuse authority issues a certification for one (1) or more 8 incentives to a business under this section, the reuse authority shall 9 provide a copy of the certification to: 10 (1) the business; 11 (2) the department of local government finance; and 12 (3) the department of state revenue. 13 (f) A business that claims any of the incentives available to 14 businesses shall, before June 1 of each year: 15 (1) submit to the reuse authority, on a form prescribed by the 16 reuse authority, a verified summary concerning the amount 17 of tax credits and exemptions claimed by the business in the 18 preceding year; and 19 (2) pay the amount specified in subsection (h) to the reuse 20 authority. 21 (g) A reuse authority may adopt guidelines for the revocation of 22 a business's certification for one (1) or more incentives under this 23 section, if the business does not do one (1) of the following: 24 (1) Use all its incentives for its property or employees in the 25 boundaries of the enterprise zone (before its expiration). 26 (2) Remain open and operating as a business for twelve (12) 27 months of the year for which the incentive is claimed. 28 (h) Each business that is certified by a reuse authority to receive 29 an incentive under this section shall assist the reuse authority in an 30 amount determined by the reuse authority. If a business does not 31 assist the reuse authority as required under this subsection, the 32 reuse authority may pass a resolution disqualifying the business 33 from eligibility for all incentives available to the business. If all of 34 a business's incentives exceed one thousand dollars (\$1,000) in a 35 year, the reuse authority may impose an additional fee on a 36 business to be paid to the reuse authority in an amount equal to one 37 percent (1%) of all its incentives to be used exclusively for the 38 reuse authority's administrative expenses. 39 (i) If a reuse authority disqualifies a business under subsection 40 (h), the reuse authority shall notify the department of local 41 government finance and the department of state revenue in writing 42 not more than thirty (30) days after the passage of the resolution

disqualifying the business. Disqualification of a business under this
 section is effective beginning with the taxable year in which the
 resolution disqualifying the business is adopted.
 (j) This subsection applies to a zone business (as defined in
 IC 5-28-15-3) that received incentives in an enterprise zone

6 described in subsection (a) that are claimed by the zone business 7 after the phase out of the enterprise zone. Notwithstanding the 8 expiration of the enterprise zone, the termination of the U.E.A., or 9 any other provision in IC 5-28-15, the zone business shall pay to the 10 reuse authority the same fee or amount determined under 11 IC 5-28-15-5.7(b) for the zone business on the day immediately 12 preceding the day on which the enterprise zone expired and for the

13 same period as if the enterprise zone was not expired.



COMMITTEE REPORT

Madam President: The Senate Committee on Appropriations, to which was referred Senate Bill No. 554, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 2, line 8, delete "twenty (20)" and insert "ten (10)".

and when so amended that said bill do pass.

(Reference is to SB 554 as introduced.)

MISHLER, Chairperson

Committee Vote: Yeas 11, Nays 0.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Commerce, Small Business and Economic Development, to which was referred Senate Bill 554, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, between lines 10 and 11, begin a new paragraph and insert: "SECTION 2. IC 5-28-15.5-5, AS ADDED BY P.L.238-2017, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 5. (a) For each state fiscal year beginning after June 30, 2019, until a district expires under section 3 of this chapter, if a district board applies for a grant under section 8(a)(3) of this chapter, the corporation may shall, before September 1, make a determination on grants from the Indiana twenty-first century research and technology fund established under IC 5-28-16-2 to a district board established in:

(1) the city of Lafayette; and

(2) the city of Fort Wayne.

(b) The total amount of grant money that a district board established in the city of Lafayette may receive during a state fiscal year may not exceed one million dollars (\$1,000,000).

(c) The total amount of grant money that a district board established in the city of Fort Wayne may receive during a state fiscal year may not exceed one million dollars (\$1,000,000).

(d) Except as provided in subsection (e), one hundred percent



(100%) of grant money awarded to a district board under this section must be used by the district board for programs **or projects** that support entrepreneurship, small business development, technology development, and innovation.

(e) A district board may use grant money awarded under this section to reimburse itself for costs incurred before the grant money was awarded if the costs are attributable to the purposes described in subsection (d).

(c) (f) The corporation may develop guidelines, without complying with IC 4-22-2, for awarding grants under this section.

SECTION 3. IC 5-28-16-2, AS AMENDED BY P.L.86-2018, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 2. (a) The Indiana twenty-first century research and technology fund is established within the state treasury to provide grants or loans to support proposals for economic development in one (1) or more of the following areas:

(1) To increase the capacity of Indiana postsecondary educational institutions, Indiana businesses, and Indiana nonprofit corporations and organizations to compete successfully for federal or private research and development funding.

(2) To stimulate the transfer of research and technology into marketable products.

(3) To assist with diversifying Indiana's economy by focusing investment in biomedical research and biotechnology, information technology, development of alternative fuel technologies, development and production of fuel efficient vehicles, and other high technology industry clusters requiring high skill, high wage employees.

(4) To encourage an environment of innovation and cooperation among universities and businesses to promote research activity.
(5) To provide grants to district boards that are established in the city of Lafayette and the city of Fort Wayne under the entrepreneur and enterprise district pilot program established under IC 5-28-15.5 and as set forth in IC 5-28-15.5-5.

(b) The fund consists of:

(1) appropriations from the general assembly; and

(2) loan repayments.

(c) The corporation shall administer the fund. The following may be paid from money in the fund:

(1) Expenses of administering the fund.

(2) Nonrecurring administrative expenses incurred to carry out the purposes of this chapter.





(d) Earnings from loans made under this chapter shall be deposited in the fund.

(e) The budget committee shall review programs and initiatives and corresponding investment policies established by the board. The budget agency shall review each recommendation to verify and approve available funding and compliance with the established investment policy. Money in the fund may not be used to provide a recurring source of revenue for the normal operating expenditures of any project.

(f) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the state general fund.

(g) The money in the fund at the end of a state fiscal year does not revert to the state general fund but remains in the fund.

(h) For each state fiscal year beginning after June 30, 2017, and ending before July 1, 2022, **2023**, the corporation may **shall** allocate **not more than** two million dollars (\$2,000,000) of the total amount held within the fund in that state fiscal year for the purposes of making grants from the fund under subsection (a)(5) to district boards established in the city of Lafayette and the city of Fort Wayne as set forth in IC 5-28-15.5-5. If a district board established in the city of Lafayette and the city of Fort Wayne does not apply for a grant from the fund under IC 5-28-15.5-8(a)(3) during a particular state fiscal year, the allocated amount may be used for another purpose described in subsection (a)(1) through (a)(4) for that state fiscal year. This subsection expires December 31, 2022. 2023.

SECTION 4. IC 24-5-27 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]:

Chapter 27. Ticket Sales

Sec. 1. This chapter does not apply to tickets of admission to any boxing, sparring, or unarmed combat match or exhibition under IC 4-33-22.

Sec. 2. As used in this chapter, "Internet domain name" means a globally unique, hierarchical reference to an Internet host or service, which is assigned through centralized Internet naming authorities and which is comprised of a series of character strings separated by periods, with the right most string specifying the top of the hierarchy.

Sec. 3. As used in this chapter, "nontransferable ticketing system" means any program, platform, process, or act that restricts, through contractual or technological means, a ticket



purchaser's ability to:

(1) freely use;

(2) give away;

(3) assign; or

(4) resell;

a ticket purchased by the ticket purchaser.

Sec. 4. As used in this chapter, "person" means an individual, a corporation, a business trust, an estate, a trust, a partnership, an association, a nonprofit corporation or organization, a cooperative, or any other legal entity.

10

Sec. 5. As used in this chapter, "resale of tickets" means the act of selling a valid and previously purchased ticket to a person who is not:

(1) the original purchaser of the ticket; or

(2) the ticket issuer.

Sec. 6. As used in this chapter, "ticket issuer" means any person that makes tickets available, directly or indirectly, for an entertainment event. The term includes the following:

(1) The operator of a venue.

(2) The sponsor or promoter of an entertainment event.

(3) A sports team participating in an entertainment event or a league whose teams are participating in an entertainment event.

(4) A theater company, musical group, or similar participant in an entertainment event.

(5) An agent of any person or entity described in subdivisions (1) through (4).

Sec. 7. As used in this chapter, "ticket platform" means a marketplace that enables consumers to purchase and sell tickets.

Sec. 8. As used in this chapter, "ticket web site" means an Internet web site:

(1) advertising the sale of tickets;

(2) offering the sale of tickets; or

(3) offering tickets for resale;

to an event in this state.

Sec. 9. As used in this chapter, "URL" means an Internet web site's uniform resource locator.

Sec. 10. As used in this chapter, "venue" means an arena, stadium, theater, concert hall, or other place of exhibition or performance in this state.

Sec. 11. As used in this chapter, "web site operator" means a person:



(1) owning;

(2) operating; or

(3) controlling;

a ticket web site for an event scheduled at a venue.

Sec. 12. Subject to section 13 of this chapter, a person may, through the use of an Internet web site:

(1) resell;

(2) offer to resell; or

(3) attempt to resell;

any ticket, privilege, or license of admission to an entertainment event, place of public amusement, arena, stadium, theater, performance, sport, exhibition, or athletic contest in this state without restriction or monetary limitation.

Sec. 13. A person who resells, offers to resell, or attempts to resell a ticket, as described under section 12 of this chapter, must provide the ticket purchaser with a full refund or comparable replacement ticket, as applicable, if any of the following occur:

(1) The event is canceled and not rescheduled.

(2) The ticket received by the purchaser is counterfeit.

(3) The ticket fails to conform to the description provided by the seller or reseller.

(4) The ticket was not delivered to the purchaser prior to the occurrence of the event, unless such failure of delivery was due to an act or omission of the purchaser.

(5) The ticket does not provide the consumer with admission to the event for which it was purchased unless such failure to be admitted is due to actions caused by the purchaser or venue.

Sec. 14. A refund under section 13 of this chapter must include the following:

(1) Reimbursement for the full price paid by the consumer for the ticket.

(2) Reimbursement for any fee related to the purchase, download, delivery, or shipping of the ticket, as applicable.

Sec. 15. A person who engages in the resale of event tickets may comply with the requirements of this chapter by using a ticket platform that fully complies with this chapter.

Sec. 16. A ticket issuer may employ a nontransferable ticketing system if the following conditions are met:

(1) The ticket purchaser is offered, at the time of sale, the opportunity to purchase a transferable:

(A) physical; or



(B) electronic ticket portable document format file; version of the same ticket.

(2) The ticket described in subdivision (1) may be given away or resold:

(A) independently of the ticket issuer's preferred ticket platform; and

(B) without penalty or discrimination.

Sec. 17. A ticket purchaser or seller shall not be penalized, discriminated against, or denied access to an event:

(1) because the ticket or tickets were resold; or

(2) because of the purchaser's or seller's choice of ticket platform.

Sec. 18. Nothing in this chapter shall prevent a ticket issuer or venue operator from doing the following:

(1) Maintaining and enforcing policies with respect to conduct, behavior, or age at the venue or event.

(2) Prohibiting the possession or use of illicit narcotics at the venue or event.

(3) Prohibiting or regulating the possession, display, or use of firearms at the venue or event.

(4) Establishing and enforcing limits on the quantity of tickets that may be purchased.

(5) Establishing and enforcing occupancy limits for the venue or event, as applicable.

(6) Canceling tickets that were procured in violation of IC 35-43-2-3 or 15 U.S.C. 45(c).

(7) Employing a nontransferable ticketing system for one (1) of the following purposes:

(A) The issuance of a ticket that:

(i) is not promotionally offered to the general public; and (ii) is made available to an individual or group as part of a targeted promotion, discounted price, or for a private event due to the individual's or group's student status, economic hardship status, disability status, group affiliation, or membership in a religious or civic organization.

(B) The issuance of a ticket for a NCAA Division I postseason collegiate basketball or hockey tournament.

Sec. 19. (a) This section does not apply to a web site operator that is authorized by the venue to be acting upon the venue's behalf.

(b) A web site operator may not intentionally use an Internet



domain name or any subdomain in a ticket web site's URL that contains any of the following:

(1) The name of the venue.

(2) The name of the exhibition or performance.

(3) The name of the person or entity scheduled to perform or appear at the venue.

(4) Any name substantially similar to the name of the venue, exhibition, or performance.

(c) A person who violates this section commits a deceptive act that is actionable by the attorney general and is subject to the remedies and penalties under IC 24-5-0.5.".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 554 as printed January 29, 2019.)

MORRIS

Committee Vote: yeas 13, nays 0.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Senate Bill 554, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, delete lines 39 through 42. Delete page 3. Page 4, delete lines 1 through 12. Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to ESB 554 as printed March 22, 2019.)

HUSTON

Committee Vote: yeas 23, nays 0.



COMMITTEE REPORT

Mr. Speaker: Your Committee on Judiciary, to which was referred Senate Bill 554, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, delete lines 39 through 42.

Delete pages 3 through 5.

Page 6, delete lines 1 through 23.

Page 8, after line 7, begin a new paragraph and insert:

"SECTION 4. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "ticket" refers to any ticket, privilege, or license of admission to any entertainment event, place of public amusement, arena, stadium, theater, performance, sport, exhibition, or athletic contest in Indiana.

(b) The legislative council is urged to assign to an appropriate interim study committee the task of studying the sale and resale of tickets to events in Indiana. An interim study committee assigned the topic described in this SECTION shall examine the current status of the commercial ticketing market, including the following:

(1) The effects of the following on the marketplace and consumers:

(A) Scalping.

(B) Ticket resales.

(C) Speculative ticketing.

(D) The use of bots and deceptive URLs with respect to online ticket platforms.

(2) The effects of paperless ticketing systems on consumers.

(3) The status of the current law regarding the legal relationship of the consumer with respect to the following:

(A) Ticketing agencies, issuers, and brokers.

(B) Event venues.

(C) Entertainers.

(D) Sports teams, leagues, and franchises.

(4) The current practice with respect to:

- (A) refunds;
- (B) processing fees;
- (C) nontransferable tickets; and
- (D) price markups in the primary and secondary markets.



(c) This SECTION expires January 1, 2020. SECTION 5. An emergency is declared for this act.". Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to ESB 554 as printed April 2, 2019.)

TORR

Committee Vote: yeas 11, nays 0.

HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 554 be amended to read as follows:

Page 2, between lines 38 through 39, begin a new paragraph and insert:

"SECTION 3. IC 24-5-27 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]:

Chapter 27. Ticket Sales

Sec. 1. This chapter does not apply to tickets issued for athletic or sporting events.

Sec. 2. As used in this chapter, "Internet domain name" means a globally unique, hierarchical reference to an Internet host or service, which is assigned through centralized Internet naming authorities and which is comprised of a series of character strings separated by periods, with the right most string specifying the top of the hierarchy.

Sec. 3. As used in this chapter, "person" means an individual, a corporation, a business trust, an estate, a trust, a partnership, an association, a nonprofit corporation or organization, a cooperative, or any other legal entity.

Sec. 4. As used in this chapter, "resale of tickets" means the act of selling a valid and previously purchased ticket to a person who is not:

(1) the original purchaser of the ticket; or

(2) the ticket issuer.

Sec. 5. As used in this chapter, "ticket issuer" means any person that makes tickets available, directly or indirectly, for an entertainment event. The term includes the following:



(1) The operator of a venue.

(2) The sponsor or promoter of an entertainment event.

(3) A theater company, musical group, or similar participant in an entertainment event.

(4) An agent of any person or entity described in subdivisions (1) through (3).

Sec. 6. As used in this chapter, "ticket platform" means a marketplace that enables consumers to purchase and sell tickets.

Sec. 7. As used in this chapter, "ticket web site" means an Internet web site:

(1) advertising the sale of tickets;

(2) offering the sale of tickets; or

(3) offering tickets for resale;

to an event in this state.

SEC. 8. As used in this chapter, "URL" means an Internet web site's uniform resource locator.

Sec. 9. As used in this chapter, "venue" means an arena, stadium, theater, concert hall, or other place of exhibition or performance in this state.

Sec. 10. As used in this chapter, "web site operator" means a person:

(1) owning;

(2) operating; or

(3) controlling;

a ticket web site for an event scheduled at a venue.

Sec. 11. (a) A ticket issuer shall not issue a ticket exclusively through a delivery method that substantially prevents the ticket purchaser from lawfully transferring or reselling the ticket through the following methods:

(1) Independently of the ticket issuer.

(2) A ticketing platform chosen by the ticket purchaser.

(b) A person shall not be discriminated against or denied admission to an event solely because the person:

(1) transferred or resold a ticket; or

(2) purchased or received a transferred or resold ticket; on a specific platform.

Sec. 12. (a) This section does not apply to a web site operator that is authorized by the venue to be acting upon the venue's behalf.

(b) A web site operator may not intentionally use an Internet domain name or any subdomain in a ticket web site's URL that contains any of the following:

17

(1) The name of the venue.

(2) The name of the exhibition or performance.

(3) The name of the person or entity scheduled to perform or appear at the venue.

(4) Any name substantially similar to the name of the venue, exhibition, or performance.

(c) A person who violates this section commits a deceptive act that is actionable by the attorney general and is subject to the remedies and penalties under IC 24-5-0.5.".

Page 4, delete lines 23 through 42.

Delete page 5.

Renumber all SECTIONS consecutively.

(Reference is to ESB 554 as printed April 8, 2019.)

MORRISON

