



**Senate Fiscal Agency**  
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House Bill 5108 (as passed by the House)  
Sponsor: Representative Tim Kelly  
House Committee: Criminal Justice  
Senate Committee: Government Operations

Date Completed: 6-9-14

### **CONTENT**

**The bill would delete provisions of the Michigan Penal Code that prohibit a practice commonly known as ticket "scalping".**

Specifically, a person who owns, occupies, manages, or controls a building, room, park, or enclosure for the sale of tickets for a theater, circus, athletic game, or place of public entertainment, or a person acting on his or her own, is prohibited from asking or receiving more than the general admission advertised or charged for the sale of a ticket, except with the permission of the owner, lessee, operator, or manager of the theater, circus, athletic grounds, or place of public entertainment.

The Code also prohibits a person from establishing an agency or suboffice for the sale of a ticket for admission to a theater, circus, athletic grounds, or place of public entertainment for more than the price charged at the box office or more than the advertised price.

Except as otherwise provided, if the owner, lessee, operator, or occupant of a building, room, enclosure, or other place open to the public permits a person to sell a ticket at that place for more than the price printed on the ticket, the owner, lessee, operator, or occupant is equally guilty.

In addition, if the owner, lessee, operator, or manager of a theater, circus, athletic grounds, or place of public entertainment has sold a ticket or admission to a person, under restrictive conditions and for less than the general admission charged, and if the person's name appears on the ticket or is registered in the box office, and the ticket states that it is nontransferable, the holder of the ticket is prohibited from selling it to another person.

The bill would delete all of these prohibitions.

The Code also requires the owner, lessee, operator, or manager of a theater, circus, athletic grounds, or place of public entertainment to have printed on each ticket the price of the ticket and, if the seats are numbered, the number of the seat. Also, if a ticket is purchased at a location other than the box office where the event occurs, the owner, lessee, operator, or manager must print on the ticket the charge in excess of the box office price, as well as a statement that the ticket may be purchased at the box office without the surcharge.

A violation of these requirements, or a violation of the prohibitions that the bill would delete, is a misdemeanor. (Under the Code, if a person is convicted of a misdemeanor for which no penalty is specifically prescribed, the person may be imprisoned for up to 90 days or fined up to \$500, or both.)

The bill specifies that a violation would be punishable by imprisonment for up to 93 days or a maximum fine of \$500, or both.

MCL 750.465

Legislative Analyst: Suzanne Lowe

**FISCAL IMPACT**

By removing current prohibitions against reselling a ticket after the first purchase, the bill could reduce the number of misdemeanors prosecuted under this section and could reduce the cost to local court and jail systems as well as associated fine revenue, which is dedicated to public libraries. The bill would retain a provision dealing with information that must be printed on a ticket and the associated fine amount for a violation, but the bill would increase the maximum possible term of imprisonment to 93 days from 90 days. This would trigger certain fingerprinting and record retention requirements, which could bring a minimal cost to local government. The additional record retention requirement would not have any fiscal impact on State government.

Fiscal Analyst: John Maxwell

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.