

## **BILL ANALYSIS**

C.S.H.B. 432  
By: Bonnen  
State Affairs  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Under current law, consumers wishing to purchase tickets for livestock shows or rodeos sponsored by nonprofit organizations may be shut out of the regular purchasing process and forced to pay highly inflated prices. Consumers trying to purchase tickets for such events from a ticket agent may find that tickets have “sold out” shortly after going on sale, and then, a few days later, find tickets for that event being resold at prices well above the listed ticket price. The purpose of C.S.H.B. 432 is to address this problem by making it an offense for a person to resell or offer to resell a ticket to such an event for a price that is more than \$10 over the price authorized to be offered to the public by the nonprofit organization.

### **RULEMAKING AUTHORITY**

It is the opinion of the committee that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

C.S.H.B. 432 amends Subchapter D, Chapter 35, of the Business & Commerce Code to prohibit a person from reselling a ticket to a livestock show or rodeo sponsored by a nonprofit organization that raises money to provide scholarships to Texas youth at a price that is more than \$10 more than the price authorized to be offered to the public by the nonprofit organization. The bill provides that a violation of this provision is a misdemeanor punishable by:

- a fine not to exceed \$100 for a first offense;
- a fine not to exceed \$2,000 for a second offense; or
- a fine not to exceed \$5,000 for a third or subsequent offense.

### **EFFECTIVE DATE**

September 1, 2003.

### **COMPARISON OF ORIGINAL TO SUBSTITUTE**

C.S.H.B. 432 narrows the scope of the original by creating an offense only for persons who resell tickets to livestock shows or rodeos sponsored by certain nonprofit organizations at a price in excess of \$10 over the authorized ticket price. The original bill created an offense for persons who resell tickets to any event of public entertainment or amusement at a price in excess of \$5 over the authorized ticket price. The substitute also modifies the type of offense and the sum of the fines for such an offense.

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