

BILL ANALYSIS

S.B. 2409
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Business & Industry
Committee Report (Unamended)

BACKGROUND AND PURPOSE

It has been noted that third-party ticketing vendors sometimes use deceptive Internet domain names that mislead customers into believing that tickets being resold are being offered directly from the event venue or the performer at official retail price. S.B. 2409 seeks to address this issue by prohibiting such a website operator from intentionally using a domain name that contains the name of the applicable entity.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

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

ANALYSIS

S.B. 2409 amends the Business & Commerce Code to prohibit a website operator from intentionally using an Internet domain name, or any subdomain of the Internet domain name, in a ticket website's uniform resource locator that contains any of the following:

- the name of one of the following:
 - a performer;
 - an organization or association that is associated with a performer, such as a professional sports league;
 - a venue in Texas; or
 - an exhibition, performance, or other event to be held at a venue in Texas;
- any name substantially similar to such a name, including a misspelling of the name; or
- a trademark not owned by the website operator, including a trademark owned by an authorized agent or partner of the venue or event.

S.B. 2409 excepts from that prohibition a website operator who is authorized by a performer, organization, venue, or event's organizer to use the name or trademark on the performer's, organization's, venue's, or event's behalf for the purpose of selling or reselling tickets. The bill establishes that a violation of the bill's provisions is a deceptive trade practice and is actionable under applicable state law. The bill defines "internet domain name," "performer," "ticket website," "URL," "venue," and "website operator."

EFFECTIVE DATE

September 1, 2019.