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## SENATE COMMITTEE OF REFERENCE REPORT

Chair of Committee February 23, 2023  Date
Committee on Business, Labor, & Technology.
After consideration on the merits, the Committee recommends the following:
SB23-060 be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:
Amend printed bill, page 2, line 3, after "add" strike "(1)(h)" and insert "(1)(c.5), (1)(h), and (6)".
Page 3, strike lines 1 through 11 and substitute:
"(a) "Operator" means a person or entity who THAT owns, operates, or controls a place of entertainment or who THAT promotes or produces entertainment, and that sells a ticket to an event for original sale, including an employee of such person. or entity.  (c.5) "PRIMARY TICKET SELLER" MEANS A PERSON THAT HAS BEEN AUTHORIZED BY AN OPERATOR, AS DEFINED IN SUBSECTION (1)(a) OF THIS SECTION, TO SELL A TICKET TO AN EVENT FOR ORIGINAL SALE.".
Page 4, line 26 strike "EVENT;" and insert "EVENT WITH A CHARITABLE PURPOSE, AS DEFINED IN SECTION 6-16-103 (2);".
Page 5, line 4, strike "venue." and substitute "venue PLACE OF ENTERTAINMENT.".
Page 5, after line 11 insert:
"(6) An operator or rights holder that brings a civil action pursuant to section $6$ - $1$ - $113$ for a violation of this section is subject to the procedures outlined in section $6$ - $1$ - $720$ (5).".

Page 5, line 15, strike "A person" and substitute "A person AN OPERATOR,

Page 5, line 15, before "definitions." insert "penalties - civil actions -".

- 1 A PRIMARY TICKET SELLER, A RESELLER, AN INDIVIDUAL, OR ANY OTHER
- 2 PERSON".

- 3 Page 8, after line 14 insert:
- 4 "(e) "PRIMARY TICKET SELLER" HAS THE SAME MEANING SET 5 FORTH IN SECTION 6-1-718 (1)(c.5).
- 6 (f) "RESELLER" HAS THE SAME MEANING SET FORTH IN SECTION 6-1-718 (1)(f).".
- 8 Reletter succeeding paragraphs accordingly.
- 9 Page 9, after line 21 insert:
- 10 "(5) (a) THE ATTORNEY GENERAL OR A DISTRICT ATTORNEY MAY 11 BRING AN ACTION ON BEHALF OF THE STATE AGAINST ANY PERSON:
  - (I) FOR A VIOLATION OF THIS SECTION OR SECTION 6-1-718; OR
  - (II) FOR A VIOLATION OF THIS SECTION OR SECTION 6-1-718 IN CONNECTION WITH A CIVIL ACTION BROUGHT BY AN OPERATOR OR RIGHTS HOLDER PURSUANT TO THIS SUBSECTION (5) OF THIS SECTION AND SECTION 6-1-113.
  - (b) An operator or rights holder may bring a civil action pursuant to section 6-1-113 in a court of competent jurisdiction against another person for a violation of this section or section 6-1-718.
  - (c) (I) AN OPERATOR OR RIGHTS HOLDER THAT BRINGS A PRIVATE ACTION AGAINST ANOTHER PERSON SHALL SERVE, PURSUANT TO RULE 4 OF THE COLORADO RULES OF CIVIL PROCEDURE, THE ATTORNEY GENERAL AND THE DISTRICT ATTORNEY OF THE DISTRICT IN WHICH THE CLAIM WAS FILED A COPY OF THE COMPLAINT AND WRITTEN DISCLOSURE OF SUBSTANTIALLY ALL MATERIAL EVIDENCE AND INFORMATION THE PERSON POSSESSES.
  - (II) THE COMPLAINT MUST BE FILED WITH THE COURT IN CAMERA, MUST REMAIN UNDER SEAL FOR AT LEAST SIXTY-THREE DAYS, AND MUST NOT BE SERVED ON THE DEFENDANT UNTIL THE COURT SO ORDERS.
  - (III) THE DEFENDANT IS NOT REQUIRED TO RESPOND TO ANY COMPLAINT FILED PURSUANT TO THIS SECTION UNTIL TWENTY-ONE DAYS AFTER THE COMPLAINT IS UNSEALED AND SERVED UPON THE DEFENDANT PURSUANT TO RULE 4 OF THE COLORADO RULES OF CIVIL PROCEDURE.
  - (d) (I) THE ATTORNEY GENERAL OR DISTRICT ATTORNEY MAY ELECT TO INTERVENE AND PROCEED WITH THE ACTION ON BEHALF OF THE STATE WITHIN SIXTY-THREE DAYS AFTER IT RECEIVES BOTH THE COMPLAINT AND THE MATERIAL EVIDENCE AND INFORMATION RELATED TO

THE CLAIM.

(II) THE ATTORNEY GENERAL OR DISTRICT ATTORNEY MAY, FOR GOOD CAUSE SHOWN, MOVE THE COURT FOR AN EXTENSION OF TIME, DURING WHICH THE COMPLAINT REMAINS UNDER SEAL PURSUANT TO SUBSECTION (5)(c)(II) OF THIS SECTION. THE MOTION MAY BE SUPPORTED BY AFFIDAVITS OR OTHER SUBMISSIONS IN CAMERA.

- (e) Before the expiration of the sixty-three-day period and any extensions granted pursuant to subsection (5)(d)(II) of this section, the attorney general or district attorney shall:
- (I) PROCEED WITH THE ACTION ON BEHALF OF THE STATE, IN WHICH CASE THE ATTORNEY GENERAL OR DISTRICT ATTORNEY SHALL CONDUCT THE ACTION; OR
- (II) NOTIFY THE COURT THAT IT DECLINES TO TAKE OVER THE ACTION, IN WHICH CASE THE OPERATOR OR RIGHTS HOLDER THAT BROUGHT THE ACTION HAS THE RIGHT TO CONTINUE THE ACTION.
- (f) (I) IF THE ATTORNEY GENERAL OR DISTRICT ATTORNEY DECIDES TO PROCEED WITH AN ACTION BROUGHT PURSUANT TO THIS SUBSECTION (5), THE ATTORNEY GENERAL OR DISTRICT ATTORNEY HAS PRIMARY RESPONSIBILITY FOR PROSECUTING THE ACTION AND IS NOT BOUND BY AN ACT OF THE OPERATOR OR RIGHTS HOLDER THAT BROUGHT THE ACTION.
- (II) THE OPERATOR OR RIGHTS HOLDER THAT BROUGHT THE ACTION HAS THE RIGHT TO CONTINUE AS A PARTY TO THE ACTION, SUBJECT TO ANY LIMITATIONS SET BY THE COURT.
- (III) THE ATTORNEY GENERAL OR DISTRICT ATTORNEY, AT ANY TIME, MAY DISMISS THE ACTION, IN WHOLE OR IN PART, NOTWITHSTANDING THE OBJECTIONS OF THE OPERATOR OR RIGHTS HOLDER THAT BROUGHT THE ACTION, AS LONG AS THE OPERATOR OR RIGHTS HOLDER HAS BEEN NOTIFIED OF THE MOTION TO DISMISS AND THE COURT HAS PROVIDED THE OPERATOR OR RIGHTS HOLDER WITH AN OPPORTUNITY FOR A HEARING ON THE MOTION.
- (IV) THE ATTORNEY GENERAL OR DISTRICT ATTORNEY MAY SETTLE THE ACTION WITH THE DEFENDANT, NOTWITHSTANDING THE OBJECTIONS OF THE OPERATOR OR RIGHTS HOLDER THAT BROUGHT THE ACTION, IF THE COURT DETERMINES, AFTER A HEARING, THAT THE PROPOSED SETTLEMENT IS FAIR, ADEQUATE, AND REASONABLE UNDER ALL THE CIRCUMSTANCES.
- (g) If the attorney general or district attorney proceeds with an action brought pursuant to this section or section 6-1-718 and the court determines that the defendant has violated this section or section 6-1-718, the court:
- (I) SHALL IMPOSE CIVIL PENALTIES PURSUANT TO SUBSECTION (4)(b) OF THIS SECTION, FOR A VIOLATION OF THIS SECTION, OR CIVIL PENALTIES IN ACCORDANCE WITH SECTION 6-1-112, FOR A VIOLATION OF

- 1 SECTION 6-1-718; AND
- 2 (II) MAY AWARD DAMAGES IN ACCORDANCE WITH SECTION
- 3 6-1-113 TO THE OPERATOR OR RIGHTS HOLDER THAT BROUGHT THE

4 ACTION.".

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