

HOUSE BILL REPORT

HB 2699

As Reported by House Committee On:
Technology & Economic Development

Title: An act relating to the sale of software used in the unauthorized interference of ticket sales over the internet.

Brief Description: Concerning the sale of software used in the unauthorized interference of ticket sales over the internet.

Sponsors: Representatives Young, Van De Wege, Morris, Smith, Magendanz, Muri, Stanford, Harmsworth and Goodman.

Brief History:

Committee Activity:

Technology & Economic Development: 1/27/16, 1/28/16 [DP].

Brief Summary of Bill

- Provides that a seller of ticket bot software violates the Consumer Protection Act only if he or she knows or markets that the purpose of the software is to circumvent, thwart, interfere with, or evade a security measure, access control system, or other control or measure on a ticket seller's Internet website.

HOUSE COMMITTEE ON TECHNOLOGY & ECONOMIC DEVELOPMENT

Majority Report: Do pass. Signed by 11 members: Representatives Morris, Chair; Tarleton, Vice Chair; Smith, Ranking Minority Member; DeBolt, Assistant Ranking Minority Member; Harmsworth, Hudgins, Magendanz, Nealey, Rossetti, Santos and Young.

Minority Report: Do not pass. Signed by 1 member: Representative Fey.

Staff: Nikkole Hughes (786-7156).

Background:

[Ticket Web Robots.](#)

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Ticket bots, or web robots, are software programs used to interfere with or disrupt the operation of ticket sales over the Internet, or to buy up a substantial portion of the available tickets for later private resale. Interference by ticket bots includes gaining unauthorized priority access to purchasing tickets and reducing access of the general public to online ticket sales at the intended, original price. Commonly affected ticket sales include those for concerts, sporting events, and other entertainment events.

Consumer Protection Act.

The Washington Consumer Protection Act (CPA) declares that unfair and deceptive practices in trade or commerce are illegal. The CPA allows a person injured by an unfair or deceptive practice to bring a private cause of action for damages. The Office of the Attorney General may investigate and prosecute claims under the CPA on behalf of the state or individuals in the state.

The use or sale of software with the purpose to interfere with or disrupt the operation of Internet ticket sales is an unfair or deceptive act and an unfair method of competition for the purposes of applying the CPA. The use or sale of ticket bot software is only a violation of the CPA if the user or seller knows or should know that the purpose of the software is to interfere with or disrupt ticket sales over the Internet.

Summary of Bill:

The exception that the sale of ticket bot software is only a violation of the CPA if the seller should know the purpose of the software is removed. Instead, a seller of ticket bot software violates the CPA only if he or she knows or markets that the purpose of the software is to circumvent, thwart, interfere with, or evade a security measure, access control system, or other control or measure on a ticket seller's Internet website.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) This bill allows Washington to attract software developers to the state. This bill allows a software seller to be protected if he or she did not know that the code that they had developed would be used or adapted maliciously.

(Opposed) The underlying law that this bill changes has only been in effect for seven months, and during that time there have been no unintended consequences. It is premature to amend

the statute by weakening software sellers' culpability. Nothing in this bill prohibits the ability of someone to develop code as a way to exhibit their own skills.

Persons Testifying: (In support) Representative Young, prime sponsor.

(Opposed) Mike Webb, Office of the Attorney General.

Persons Signed In To Testify But Not Testifying: None.