NINETEENTH CONGRESS OF THE )
REPUBLIC OF THE PHILIPPINES )
Third Regular Session )

24 NOV -6 A10, 22

SENATE

s. No. <u>2873</u>

Introduced by Senator MARK A. VILLAR

## AN ACT PROHIBITING THE SELLING AND/OR BUYING OF ADMISSION TICKETS THROUGH UNAUTHORIZED SALES CHANNELS AND PROVIDING PENALTIES THEREFOR

## EXPLANATORY NOTE

Recently, the Philippines established itself as one of the top concert and event destinations in the world. Hundreds of globally and locally renowned artists and performers would hold concerts in different cities and venues to the delight of their fans and concert goers. In 2024 alone, at least one fifty-four (154) concerts are scheduled to be held in the country, while records show that revenue from music events rose from \$27 million in 2017 to \$32.8 million in 2018, drawing in a total of 2.13 million audiences.

Consumers attend more concerts, whether held locally or abroad. Based on the latest survey conducted by VISA, thirty-eight percent (38%) of Filipino respondents have attended concerts over the past twelve (12) months, both locally or overseas, coming in the top five in Asia Pacific after India (45%), Vietnam (41%), and Indonesia (40%). The rising popularity and prevalence of concert scenes reflect the upward trend of recreational appetite of Filipinos which in turn helps drive the local economy.

However, the increase of demand in events or performances and the surge of concert goers have also brought about a number of challenges, including the proliferation

of ticket scalping or the practice of reselling admission tickets at an inflated or predatory price — undermining the consumers' right to fair access to entertainment scenes and encouraging price gouging. Currently, the prohibition of scalping only exists in specific cities like Pasay City and Quezon City through local ordinances, leaving a notable gap at the national level.

This bill seeks to impose prohibition on ticket scalping in the country. By providing regulations on purchasing and selling of tickets, this measure aims to protect consumers from exploitation and guarantee fair access to events of their favorite artists or performers.

In view of the foregoing, the approval of this bill is earnestly sought.

MARK A. VILLAR

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SENATE S. No. 2873

Introduced by Senator MARK A. VILLAR

## AN ACT PROHIBITING THE SELLING AND/OR BUYING OF ADMISSION TICKETS THROUGH UNAUTHORIZED SALES CHANNELS, PROVIDING PENALTIES THEREFOR

Be enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

Section 1. Short Title. - This Act shall be known as the "Anti-Ticket Scalping Act".

Sec. 2. *Declaration of Policy.* - It is hereby declared the policy of the State to protect the interests of consumers, promote general welfare, and establish standards of conduct for business and industry.

Towards this end, the State shall implement measures to protect the consumers against deceptive, unfair, and unconscionable sales acts and practices.

Sec. 3. Definition of Terms. - As used in this Act:

- a) Admission Ticket refers to evidence of a right of entry to an entertainment event, whether in printed or digital.
- b) Entertainment Event refers to any event, occasion, occurrence or activity that provides amusement or recreation organized by persons, which are open to public and involves distribution of admission tickets such as sports shows, concerts, stage performances, beauty pageants, festivals, road shows, fan meets or any similar undertakings.
- c) Face Value refers to the price of the ticket set by the event producer or organizer or the original purchase price of an admission ticket.
- d) Resale refers to act of selling admission tickets previously sold to someone else.
- Sec. 4. *Prohibition of Ticket Scalping.* The following acts shall constitute ticket scalping, whether committed online or in person:

- a) Offering, hoarding, selling, distributing, buying, dealing in, disposing of or otherwise obtaining admission tickets for entertainment events, without written permission from the authorized event producer, organizer and distributor, for the purpose of reselling for more than ten percent (10%) higher than the face value price of the ticket. *Provided,* That the 10% increase or markup shall be subject to the periodic review and update by the implementing agencies; and
- b) Financing, managing, or operating ticket scalping activities;
- Sec. 5. *Other Offenses*. -The following shall also constitute as offenses under this Act:
  - a) Offering or selling admission tickets for entertainment events without providing the face value price on each ticket.
  - b) Selling admission tickets on any platform other than the authorized reselling platform.
  - c) Willfully aiding or abetting in the commission of any of the offenses enumerated under Section 4;
  - d) Willfully attempting to commit any of the offenses enumerated under Section 4.

Sec. 6. *Duties and Responsibilities of Entities Engaged in the Business of Event Ticketing, Event Production, and Event Services.* – Within ninety (90) days from issuance of the Implementing Rules and Regulations of this Act, all entities engaged in the business of event ticketing, event production and event services that organizes, sells, distributes or resells admission tickets shall post, publish or display digital and/or physical signages on their websites and on conspicuous places within their premises, warning against ticket scalping.

In addition, these entities are also mandated to adopt, implement and enforce respective internal policy guidelines, prevention and reporting mechanisms on ticket scalping.

Sec. 7. Institution of Complaint. – The Department of Justice (DOJ), the Department of Trade and Industry (DTI) through its relevant bureaus or attached agencies, and the Department of Interior Local Government (DILG), including all law enforcement agencies, may institute a complaint for violation of this Act before the appropriate court.

Sec. 8. Penalties. -

- a) The following penalties shall be imposed upon any person found guilty of any act prohibited in Section 4 hereof:
  - 1) For the first offense, a fine of One hundred thousand pesos (Php 100,000.00) or imprisonment of six (6) months, or both, at the discretion of the court.

- 2) For the second offense, a fine of Two hundred fifty thousand pesos (Php 250,000.00) or imprisonment of one (1) year, or both, at the discretion of the court.
- 3) For the third and subsequent offenses, a fine of Five hundred thousand pesos (Php 500,000.00) or imprisonment of three (3) years, or both, at the discretion of the court.
- b) The following penalties shall be imposed upon any person found guilty of any act prohibited in Sections 5 and 6 hereof:
  - 1) For the first offense, a fine of Fifty thousand pesos (Php 50,000.00).
  - 2) For the second offense, a fine of One hundred thousand pesos (Php 100,000.00) or imprisonment of six (6) months, or both, at the discretion of the court.
  - 3) For the third and subsequent offenses, a fine of Two hundred fifty thousand pesos (Php 250,000.00) or imprisonment of one (1) year, or both, at the discretion of the court.
  - 4) If the offender is a corporation, the penalty may, at the discretion of the court, be imposed upon such corporation and/or upon its directors, trustees, stockholders, members, officers, or employees responsible for the violation or indispensable to its commission.
- Sec. 9. *Implementing Rules and Regulation.* Within ninety (90) days from the effectivity of this Act, the DILG and DTI, in coordination with other relevant agencies, shall promulgate the rules and regulations necessary for implementing the law.
- Sec. 10. *Separability Clause.* If any provision of this Act is declared invalid or unconstitutional, the remainder thereof not otherwise affected by shall remain in full force and effect.
- Sec. 11. *Repealing Clause.* All laws, presidential decrees, executive orders, letters of instruction, proclamations, or administrative regulations that are inconsistent with any of the provisions of this Act, are hereby repealed, amended, or modified accordingly.
- Sec. 12. *Effectivity* This Act shall take effect after fifteen (15) days following its publication in the *Official Gazette* or in a newspaper of general circulation. Approved,

MARK A. VILLAR