Senate Fiscal Agency
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BILL ANALYSIS

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House Bill 4262 (as enacted) **PUBLIC ACT 49 of 2025**
Senate Bill 158 (as enacted) **PUBLIC ACT 50 of 2025**
Sponsor: Representative Mike Harris (H.B. 4262)
Senator Mary Cavanagh (S.B. 158)
House Committee: Judiciary
Senate Committee: Finance, Insurance, and Consumer Protection

Date Completed: 3-9-26

RATIONALE

According to testimony before the Senate Committee on Finance, Insurance, and Consumer Protection, ticket prices for live events have risen dramatically due to bots quickly buying up large quantities of tickets. Bots are generally software applications programed to run automated tasks, like buying event tickets, and reduce the opportunities for human customers to purchase these tickets directly. Bot-bought tickets are often sold on a secondary market at prices that most consumers cannot meet. Some have argued that live events are large drivers of economic activity and that bots buying tickets in this manner exploit customers and artists. Accordingly, prescribing prohibited uses of bots in ticket sales was suggested.

CONTENT

Senate Bill 158 enacts the Event Online Ticket Sales Act to prohibit a person from circumventing or disabling a measure used to enforce ticket purchase limits, enforce order within ticket sales, or validate authentic event tickets.

House Bill 4262 enacts a new law to prescribe a civil fine of up to $5,000 for a violation of the Event Online Ticket Sales Act and allow the Attorney General (AG) to bring a civil action against imminent or actual violations of the Act.

The bills will take effect March 24, 2026.

Senate Bill 158

Definitions

"Entertainment event" means a concert, theatrical performance, sporting event, exhibition, show, or similar scheduled activity held in the State that is open to the public, held in a public or private venue, and charges an admission fee to attend.

"Person" means an individual, a sole proprietorship, partnership, association, corporation, limited liability company, or other legal entity, or a combination of persons described above.

"Ticket" means a physical, electronic, or other form of a certificate, voucher, document, token, or other evidence indicating that the person entitled to possession through purchase or otherwise has a right to enter a venue for an entertainment event at the date and time specified on the ticket.

"Ticket purchasing limit" means the posted limit stating the number of tickets a person may purchase for a specific entertainment event during an online ticket sale.

Prohibition of Interfering with Security Measure

The Act prohibits a person from using or creating a bot to do any of the following:

-- Purchase a number of tickets for an entertainment event in excess of the ticket purchasing limit.
-- Use multiple internet protocol addresses, purchaser accounts, or email addresses to purchase a number of tickets for an entertainment event in excess of the ticket purchasing limit.
-- Circumvent or disable an electronic queue, waiting period, presale code, or other sales volume limitation system associated with an online ticket sale.
-- Circumvent or disable a security measure, access control system, or other control or measure that is used to validate that a ticket is not fraudulent.

House Bill 4262

Generally, the bill prescribes a civil fine of up to $5,000 for a person that violates the Event Online Ticket Sales Act. Each ticket acquired in violation of the Act constitutes a separate violation for the purpose of assessing a civil fine. A fine collected for such a violation must be deposited into the General Fund. The court may allow the AG to recover reasonable costs and attorney fees incurred in an action resulting in the imposition of a civil fine.

Furthermore, the bill allows the AG to investigate a claim that a person violated the Act. If the AG determined that a violation is imminent or a person is in the process of violating the Act, the AG may bring a civil action to restrain, enjoin, or prevent the person from violating or continuing to violate the Act. Under the bill, a person that violates a court order or injunction issued to enforce the Act is also subject to a civil fine of up $5,000.

If the AG were to determine that a person has violated the Act, the AG may bring a civil action against the person for appropriate relief, including injunctive relief or to collect the aforementioned civil fine. The AG also may recover restitution.

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

The bills empower the State to protect residents from predatory technology. Bots are inhumanly quick. According to testimony before the Senate Committee on Finance, Insurance, and Consumer Protection, they can purchase up to 15,000 event tickets in as little as two minutes. These tickets are then resold at a significant markup. This harms consumers and the entertainment industry, as it creates cost-prohibitive tickets for consumers. Humans should not have to compete with technology, especially when that technology is designed to artificially raise prices. Many online ticket retailers have sought to protect their markets from bot exploitation; however, bot owners frequently find ways to circumvent these security measures. Federal law prohibits such practices; however, enforcement can take years, allowing bad actors to continue harming consumers. Michigan residents should not have to wait for accountability. Prohibiting the use of bots to circumvent ticket sellers' protections and enabling the State to enforce the law will ensure that bad actors are punished and Michiganders protected.

Legislative Analyst: Abby Schneider

FISCAL IMPACT

The bills may have a positive fiscal impact on the State. They impose a civil fine of up to $5,000. Revenue collected from civil fines is deposited in the State's General Fund. Additionally, $10 of the civil fine will be deposited into the State Justice System Fund, which supports justice-related activities across State government in the Departments of Corrections, Health and Human Services, State Police, and Treasury. The Fund also supports justice-related issues in the Legislative Retirement System and the Judiciary. The amount of revenue to the State is indeterminate and dependent on the actual number of violations.

The bills will have a mixed fiscal impact on State and local governments. While they create investigation and court hearing costs for the AG and local law enforcement agencies, they also will generate civil fine revenue for the General Fund and the Justice System Fund to an indeterminate degree. It is not known how many prosecutions will result under the bills; therefore, State and local costs and fine revenue amounts are indeterminate.

Fiscal Analyst: Joe Carrasco, Jr.
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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.