Felix Chavez

AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.gov (Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared:	21 January 2025	Check all that apply:			
Bill Number:	HB 26	Original	Х	Correction	
		Amendment Sub		Substitute	

Sponsor:	Cates Agency Name and Code Number:		NM Sentencing Commission 354		
Short	Ticket Scalping at State and	Person Writing		Douglas Carver	
Title:	Nonprofit Events	Phone: 505-239	-8362	Email dhmcarver@unm.edu	

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring	Fund	
FY25	FY26	or Nonrecurring	Affected	

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring	Fund
FY25	FY26	FY27	or Nonrecurring	Affected

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

HB 26 amends Section 30-46-1, related to ticket scalping, to include "an event presented by the state or a political subdivision of the state or by a nonprofit corporation formally recognized as tax exempt under Section 501(c)(3) of the Internal Revenue Code of 1986" – the present statute only covers ticket scalping for college athletic events. The penalty for ticket scalping is unchanged (a misdemeanor punishable by a fine of up to \$500 or imprisonment less than one year, or both).

FISCAL IMPLICATIONS

Note: major assumptions underlying fiscal impact should be documented.

Note: if additional operating budget impact is estimated, assumptions and calculations should be reported in this section.

SIGNIFICANT ISSUES

HB 26 appears to be a response to news stories such as KOAT's from this past summer, "Online ticket scalpers making big bucks off performing arts in New Mexico" (available at: <u>https://www.koat.com/article/ticket-scalping-new-mexico/60929561</u>), which notes the losses to revenue for nonprofit arts organizations in New Mexico due to unauthorized sales of tickets. The story notes that New Mexico law only prohibits ticket scalping for college athletic events, a gap in state law, but that the problem with enforcing such laws is trying to track who is making the resale. State laws on ticket scalping vary widely. *See* Squire Patton Boggs, Guide to US Ticket Resale Regulations (Fifth Edition, 2024), available at: <u>https://www.squirepattonboggs.com/-/media/files/insights/publications/2024/08/2024-guide-to-us-ticket-resale-regulations/2024-us-ticket-resale-guide.pdf</u>.

As the penalty for violation of the statute is a misdemeanor, it is not anticipated that the bill would have a financial impact on NMCD.

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS