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1 AN ACT concerning business.

## Be it enacted by the People of the State of Illinois, represented in the General Assembly:

- Section 5. The Ticket Sale and Resale Act is amended by changing Sections 1.5 and 2 as follows:
- 6 (815 ILCS 414/1.5) (was 720 ILCS 375/1.5)
- Sec. 1.5. Sale of tickets at more than face value prohibited; exceptions.
- 9 (a) Except as otherwise provided in subsections (b), (c), (d), (e), and (f-5) of this Section and in Section 4, it is 10 unlawful for any person, persons, firm or corporation to sell 11 tickets for baseball games, football games, hockey games, 12 13 theatre entertainments, or any other amusement for a price 14 more than the price printed upon the face of said ticket, and the price of said ticket shall correspond with the same price 15 shown at the box office or the office of original 16 17 distribution.
  - (b) This Act does not apply to the resale of tickets of admission to a sporting event, theater, musical performance, or place of public entertainment or amusement of any kind for a price in excess of the printed box office ticket price by a ticket broker who meets all of the following requirements:
- 23 (1) The ticket broker is duly registered with the

_	office of the beefectary of beate on a registration form
2	provided by that Office. The registration must contain a
3	certification that the ticket broker:
4	(A) engages in the resale of tickets on a regular
5	and ongoing basis from one or more permanent or fixed
6	locations located within this State;
7	(B) maintains as the principal business activity
8	at those locations the resale of tickets;
9	(C) displays at those locations the ticket
10	broker's registration;
11	(D) maintains at those locations a listing of the
12	names and addresses of all persons employed by the
13	ticket broker;
14	(E) is in compliance with all applicable federal,
15	State, and local laws relating to its ticket selling
16	activities, and that neither the ticket broker nor any
17	of its employees within the preceding 12 months have
18	been convicted of a violation of this Act; and
19	(F) meets the following requirements:
20	(i) the ticket broker maintains a toll free
21	number specifically dedicated for Illinois
22	consumer complaints and inquiries concerning
23	ticket sales;
24	(ii) the ticket broker has adopted a code that
25	advocatos consumor protoction that includes at a

minimum:

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1	(a-1) consumer protection guidelines;
2	(b-1) a standard refund policy. In the
3	event a refund is due, the ticket broker shall
4	provide that refund without charge other than
5	for reasonable delivery fees for the return of
6	the tickets; and
7	(c-1) standards of professional conduct;
8	(iii) the ticket broker has adopted a
9	procedure for the binding resolution of consumer
10	complaints by an independent, disinterested third
11	party and thereby submits to the jurisdiction of
12	the State of Illinois; and
13	(iv) the ticket broker has established and
14	maintains a consumer protection rebate fund in
15	Illinois in an amount in excess of \$100,000, which
16	must be cash available for immediate disbursement
17	for satisfaction of valid consumer complaints.
18	Alternatively, the ticket broker may fulfill the
19	requirements of subparagraph (F) of this paragraph (1) if
20	the ticket broker certifies that he or she belongs to a
21	professional association organized under the laws of this
22	State, or organized under the laws of any other state and
23	authorized to conduct business in Illinois, that has been

in existence for at least 3 years prior to the date of that

broker's registration with the Office of the Secretary of

State, and is specifically dedicated, for and on behalf of

its members, to provide and maintain the consumer protection requirements of subparagraph (F) of this paragraph (1) to maintain the integrity of the ticket brokerage industry.

## (2) (Blank).

- (3) The ticket broker and his employees must not engage in the practice of selling, or attempting to sell, tickets for any event while sitting or standing near the facility at which the event is to be held or is being held unless the ticket broker or his or her employees are on property they own, lease, or have permission to occupy.
- (4) The ticket broker must comply with all requirements of the Retailers' Occupation Tax Act and collect and remit all other applicable federal, State and local taxes in connection with the ticket broker's ticket selling activities.
- (5) Beginning January 1, 1996, no ticket broker shall advertise for resale any tickets within this State unless the advertisement contains the name of the ticket broker and the Illinois registration number issued by the Office of the Secretary of State under this Section.
- (6) Each ticket broker registered under this Act shall pay an annual registration fee of \$100.
- (c) This Act does not apply to the sale of tickets of admission to a sporting event, theater, musical performance, or place of public entertainment or amusement of any kind for a

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This subsection (c) applies to resales described in this subsection only if the operator of the Internet auction listing service meets the following requirements:

- (1) the operator maintains a listing of the names and addresses of its corporate officers;
- (2) the operator is in compliance with all applicable federal, State, and local laws relating to ticket selling activities, and the operator's officers and directors have not been convicted of a violation of this Act within the preceding 12 months;
- (3) the operator maintains, either itself or through an affiliate, a toll free number dedicated for consumer complaints;
- (4) the operator provides consumer protections that include at a minimum:
  - (A) consumer protection guidelines;
- (B) a standard refund policy that guarantees to all purchasers that it will provide and in fact

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provides a full refund of the amount paid by the purchaser (including, but not limited to, all fees, regardless of how characterized) if the following occurs:

- (i) the ticketed event is cancelled and the purchaser returns the tickets to the seller or auction listing service; Internet however, reasonable delivery fees need not be refunded if the previously disclosed guarantee specifies that the fees will not be refunded if the event is cancelled;
- (ii) the ticket received by the purchaser does not allow the purchaser to enter the ticketed event for reasons that may include, without limitation, that the ticket is counterfeit or that the ticket has been cancelled by the issuer due to non-payment, unless the ticket is cancelled due to an act or omission by such purchaser;
- (iii) the ticket fails to conform to its description on the Internet auction listing service; or
- (iv) the ticket seller willfully fails to send the ticket or tickets to the purchaser, or the ticket seller attempted to deliver the ticket or tickets to the purchaser in the manner required by the Internet auction listing service and the

1	purchaser	failed	to	receive	the	ticket	or	tickets;
2	and							

- (C) standards of professional conduct;
- (5) the operator has adopted an independent and disinterested dispute resolution procedure that allows resellers or purchasers to file complaints against the other and have those complaints mediated or resolved by a third party, and requires the resellers or purchasers to submit to the jurisdiction of the State of Illinois for complaints involving a ticketed event held in Illinois;
  - (6) the operator either:
  - (A) complies with all applicable requirements of the Retailers' Occupation Tax Act and collects and remits all applicable federal, State, and local taxes; or
  - (B) publishes a written notice on the website after the sale of one or more tickets that automatically informs the ticket reseller of the ticket reseller's potential legal obligation to pay any applicable local amusement tax in connection with the reseller's sale of tickets, and discloses to law enforcement or other government tax officials, without subpoena, the name, city, state, telephone number, e-mail address, user ID history, fraud complaints, and bidding and listing history of any specifically identified reseller or purchaser upon the receipt of a

verified request from law enforcement or other government tax officials relating to a criminal investigation or alleged illegal activity; and

- (7) the operator either:
- (A) has established and maintains a consumer protection rebate fund in Illinois in an amount in excess of \$100,000, which must be cash available for immediate disbursement for satisfaction of valid consumer complaints; or
- (B) has obtained and maintains in force an errors and omissions insurance policy that provides at least \$100,000 in coverage.
- (d) This Act does not apply to the resale of tickets of admission to a sporting event, theater, musical performance, or place of public entertainment or amusement of any kind for a price in excess of the printed box office ticket price conducted at an auction solely by or for a not-for-profit organization for charitable purposes under clause (a)(1) of Section 10-1 of the Auction License Act.
- (e) This Act does not apply to the resale of a ticket for admission to a baseball game, football game, hockey game, theatre entertainment, or any other amusement for a price more than the price printed on the face of the ticket and for more than the price of the ticket at the box office if the resale is made through an Internet website whose operator meets the following requirements:

- 1 (1) the operator has a business presence and physical 2 street address in the State of Illinois and clearly and 3 conspicuously posts that address on the website;
  - (2) the operator maintains a listing of the names of the operator's directors and officers, and is duly registered with the Office of the Secretary of State on a registration form provided by that Office;
  - (3) the operator is in compliance with all applicable federal, State, and local laws relating to its ticket reselling activities regulated under this Act, and the operator's officers and directors have not been convicted of a violation of this Act within the preceding 12 months;
  - (4) the operator maintains a toll free number specifically dedicated for consumer complaints and inquiries regarding ticket resales made through the website;
    - (5) the operator either:
    - (A) has established and maintains a consumer protection rebate fund in Illinois in an amount in excess of \$100,000, which must be cash available for immediate disbursement for satisfaction of valid consumer complaints; or
    - (B) has obtained and maintains in force an errors and omissions policy of insurance in the minimum amount of \$100,000 for the satisfaction of valid consumer complaints;

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(6) the operator has adopted an independent and disinterested dispute resolution procedure that allows resellers or purchasers to file complaints against the other and have those complaints mediated or resolved by a third party, and requires the resellers or purchasers to submit to the jurisdiction of the State of Illinois for complaints involving a ticketed event held in Illinois;

## (7) the operator either:

- (A) complies with all applicable requirements of the Retailers' Occupation Tax Act and collects and remits all applicable federal, State, and local taxes; or
- (B) publishes a written notice on the website after the sale of one or more tickets automatically informs the ticket reseller of ticket reseller's potential legal obligation to pay any applicable local amusement tax in connection with the reseller's sale of tickets, and discloses to law enforcement or other government tax officials, without subpoena, the name, city, state, telephone number, e-mail address, user ID history, fraud complaints, and bidding and listing history of any specifically identified reseller or purchaser upon the receipt of a verified request from law enforcement or other government tax officials relating to a criminal investigation or alleged illegal activity; and

- 1 (8) the operator guarantees to all purchasers that it
  2 will provide and in fact provides a full refund of the
  3 amount paid by the purchaser (including, but not limited
  4 to, all fees, regardless of how characterized) if any of
  5 the following occurs:
  - (A) the ticketed event is cancelled and the purchaser returns the tickets to the website operator; however, reasonable delivery fees need not be refunded if the previously disclosed guarantee specifies that the fees will not be refunded if the event is cancelled;
  - (B) the ticket received by the purchaser does not allow the purchaser to enter the ticketed event for reasons that may include, without limitation, that the ticket is counterfeit or that the ticket has been cancelled by the issuer due to non-payment, unless the ticket is cancelled due to an act or omission by the purchaser;
  - (C) the ticket fails to conform to its description on the website; or
  - (D) the ticket seller willfully fails to send the ticket or tickets to the purchaser, or the ticket seller attempted to deliver the ticket or tickets to the purchaser in the manner required by the website operator and the purchaser failed to receive the ticket or tickets.

- Nothing in this subsection (e) shall be deemed to imply
  any limitation on ticket sales made in accordance with
  subsections (b), (c), and (d) of this Section or any
  limitation on sales made in accordance with Section 4.
  - (f) The provisions of subsections (b), (c), (d), and (e) of this Section apply only to the resale of a ticket after the initial sale of that ticket. No reseller of a ticket may refuse to sell tickets to another ticket reseller solely on the basis that the purchaser is a ticket reseller or ticket broker authorized to resell tickets pursuant to this Act.
    - (f-5) In addition to the requirements imposed under subsections (b), (c), (d), (e), and (f) of this Section, ticket brokers and resellers must comply with the requirements of this subsection. Before accepting any payment from a purchaser, a ticket broker or reseller must disclose to the purchaser in a clear, conspicuous, and readily noticeable manner the following information:
      - (1) the registered name and city of the event venue;
      - (2) that the ticket broker or reseller is not the event venue box office or its licensed ticket agent, but is, instead, a ticket broker or reseller and that lost or stolen tickets may be reissued only by ticket brokers or resellers;
        - (3) whether it is registered under this Act; and
- 25 (4) its refund policy, name, and contact information.
  26 Before selling and accepting payment for a ticket, a

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- ticket broker or reseller must require the purchaser to
  acknowledge by an affirmative act the disclosures required
  under this subsection. The disclosures required by this
  subsection must be made in a clear and conspicuous manner,
  appear together, and be preceded by the heading "IMPORTANT
  NOTICE" which must be in bold face font that is larger than the
  font size of the required disclosures.
  - Ticket brokers and resellers must guarantee a full refund of the amount paid by the purchaser, including handling and delivery fees, if any of the following occurs:
    - (1) the ticket received by the purchaser does not grant the purchaser admission to the event described on the ticket, unless it is due to an act or omission by the purchaser;
      - (2) the ticket fails to conform substantially to its description as advertised; or
    - (3) the event for which the ticket has been resold is cancelled and not rescheduled.
- This subsection (f-5) does not apply to an Internet auction listing service.
- 21 (f-10) A person or entity that does not have actual or 22 constructive possession of an event ticket shall not sell, 23 offer for sale, or advertise for sale the event ticket. 24 Nothing in this subsection shall prohibit any person or entity 25 from offering a service to a consumer to obtain an event ticket 26 on behalf of the consumer, if the person or entity complies

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2	(1)	does	not	market	or	list	the	service	as	an	event
3 t:	icket;										

- (2) displays the total price for the service at the time the service is first listed for sale, which includes all applicable required fees (excluding taxes or any fees assessed for the physical delivery of tickets), in any advertisement, marketing, price list, social media promotion, or other interface where a price is displayed for the service, including at the time it is first displayed to the individual and anytime throughout the purchasing process;
- (3) clearly and conspicuously discloses, prior to selection of the service, that the service is not an event ticket and that the purchase of the service does not quarantee a ticket to the event; and
- (4) does not obtain more tickets in each transaction than the numerical limitations for tickets set by the venue and artist for each respective event.

If the person or entity is unable to obtain the specified event ticket for the consumer, the person or entity shall provide the consumer, within a reasonable amount of time, with a full refund for the total cost of the service to obtain the ticket, including any fees or taxes, or, subject to availability, a replacement event ticket in the same or a comparable location with the approval of the consumer.

1	(f-15) A ticket issuer, ticket broker, or ticket resale
2	marketplace shall not offer for sale an event ticket unless
3	the ticket issuer, ticket broker, or ticket resale
4	<pre>marketplace:</pre>
5	(1) clearly and conspicuously:
6	(A) displays the total event ticket price at the
7	time the ticket is first listed for sale in any
8	advertisement, marketing, price list, social media
9	promotion, or other interface where a price is
10	displayed for the event ticket; and
11	(B) discloses to a consumer who seeks to purchase
12	an event ticket:
13	(i) the total event ticket price at the time
14	the ticket is first displayed to the individual
15	and anytime throughout the ticket purchasing
16	process, and, prior to checkout, shall include an
17	itemized breakdown of the base event ticket price
18	of the event ticket and all applicable event
19	ticket fees and taxes;
20	(ii) the space within the venue that the event
21	ticket entitles the bearer to occupy for the
22	event, whether that is general admission or a
23	specific row or section;
24	(iii) the refund policies and how to obtain a
25	refund, including under what circumstances a full
26	refund will be issued and how to obtain a full

Τ.	refund of the total event ticket price and taxes;
2	(iv) the estimated date and means of delivery
3	for the event ticket; and
4	(v) a link to the full terms and conditions
5	applied by the ticket issuer, ticket broker, or
6	ticket resale marketplace of the event ticket to
7	any individual who seeks to purchase an event
8	ticket prior to purchase.
9	If the event ticket is an electronic ticket, the ticket
10	issuer, ticket broker, or ticket resale marketplace shall
11	deliver written proof of purchase to the purchaser as soon as
12	is practicable, and no later than 24 hours, after the purchase
13	of the event ticket. The written proof of purchase shall
14	include the disclosures required under subparagraph (B).
15	(f-20) As used in this Section:
16	"Base event ticket price" means the price for the sale of
17	the event ticket, exclusive of any taxes or event ticket fees.
18	"Event ticket" means any physical, electronic, or other
19	form of a certificate, document, voucher, token, or other
20	evidence indicating that a person has the right to be admitted
21	to an event.
22	"Event ticket fee" means a charge that must be paid in
23	addition to the base event ticket price in order to obtain an
24	event ticket from a ticket issuer, secondary market ticket
25	issuer, or secondary market ticket exchange, seller, or
26	reseller, including any service fee, charge and order

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1	processing fee, facility charge fee, and any other charge.
2	"Event ticket fee" does not include any charge or fee for an
3	optional product or service associated with the event that may
4	be selected by a purchaser of an event ticket or fees to send
5	physical tickets to a consumer through the mail, including
6	private mail services.
7	"Optional product or service" means a product or service
8	that an individual does not need to purchase to use or take
9	possession of an event ticket.
10	"Ticket broker" means any person, including a ticket
11	issuer, that resells or makes a secondary sale of an event
12	ticket to the general public in the regular course of the trade
13	or business of the person.
14	"Ticket issuer" means any person who makes event tickets
15	available, directly or indirectly, to the general public, and
16	<pre>may include:</pre>
17	(1) the operator of the venue;
18	(2) the sponsor or promoter of an event;
19	(3) a sports team participating in an event or a
20	league whose teams are participating in an event;
21	(4) a theater company, musical group, or similar
22	participant in an event; and

(5) an agent for any such person.

"Ticket resale marketplace" means a person that operates a

platform or exchange for the resale of tickets between third

parties or between the ticket resale marketplace and a third

- party. "Ticket resale marketplace" includes a ticket issuer 1
- 2 only to the extent the ticket issuer is acting to facilitate
- 3 the resale of tickets between third parties or between the
- ticket issuer, acting as a ticket resale marketplace, and a 4
- 5 third party.
- 6 "Total event ticket price" means the total cost of the
- 7 event ticket, including the base event ticket price and any
- 8 event ticket fees but excluding taxes.
- 9 (q) The provisions of Public Act 89-406 are severable
- 10 under Section 1.31 of the Statute on Statutes.
- 11 (h) The provisions of this amendatory Act of the 94th
- 12 General Assembly are severable under Section 1.31 of the
- Statute on Statutes. 13
- (Source: P.A. 99-431, eff. 1-1-16; 100-534, eff. 9-22-17.) 14
- 15 (815 ILCS 414/2) (was 720 ILCS 375/2)
- 16 Sec. 2. (a) Whoever violates any of the provisions of
- Section 1.5 of this Act, except for subsections (f-10), 17
- 18 (f-15), and (f-20) of Section 1.5, shall be guilty of a Class A
- misdemeanor and may be fined up to  $$5,000 \frac{$5,000.00}{}$  for each 19
- 20 offense, whoever violates subsections (f-10), (f-15), and
- 21 (f-20) of Section 1.5 may be fined up to \$5,000 for each
- 22 offense, and whoever violates any other provision of this Act
- may be enjoined and be required to make restitution to all 23
- 24 injured consumers upon application for injunctive relief by
- 25 the State's Attorney or Attorney General and shall also be

- guilty of a Class A misdemeanor, and any owner, lessee,
  manager or trustee convicted under this Act shall, in addition
  to the penalty herein provided, forfeit the license of such
  theatre, circus, baseball park, or place of public
  entertainment or amusement so granted and the same shall be
  revoked by the authorities granting the same.
  - (b) Tickets sold or offered for sale by a person, firm or corporation in violation of Section 1.5 of this Act may be confiscated by a court on motion of the Attorney General, a State's Attorney, the sponsor of the event for which the tickets are being sold, or the owner or operator of the facility at which the event is to be held, and may be donated by order of the court to an appropriate organization as defined under Section 2 of the Charitable Games Act.
  - (c) The Attorney General, a State's Attorney, the sponsor of an event for which tickets are being sold, or the owner or operator of the facility at which an event is to be held may seek an injunction restraining any person, firm or corporation from selling or offering for sale tickets in violation of the provisions of this Act. In addition, on motion of the Attorney General, a State's Attorney, the sponsor of an event for which tickets are being sold, or the owner or operator of the facility at which an event is to be held, a court may permanently enjoin a person, firm or corporation found guilty of violating Section 1.5 of this Act from engaging in the offer or sale of tickets.

1 (Source: P.A. 99-78, eff. 7-20-15.)