



Rep. Stephanie A. Kifowit

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LRB098 15517 JLS 58486 a

1 AMENDMENT TO HOUSE BILL 3958

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 3958, AS AMENDED, by  
3 replacing everything after the enacting clause with the  
4 following:

5 "Section 5. The Ticket Sale and Resale Act is amended by  
6 changing Section 1.5 as follows:

7 (815 ILCS 414/1.5) (was 720 ILCS 375/1.5)

8 Sec. 1.5. Sale of tickets at more than face value  
9 prohibited; exceptions.

10 (a) Except as otherwise provided in subsections (b), (c),  
11 (d), ~~and~~ (e), and (f-5) of this Section and in Section 4, it is  
12 unlawful for any person, persons, firm or corporation to sell  
13 tickets for baseball games, football games, hockey games,  
14 theatre entertainments, or any other amusement for a price more  
15 than the price printed upon the face of said ticket, and the  
16 price of said ticket shall correspond with the same price shown

1 at the box office or the office of original distribution.

2 (b) This Act does not apply to the resale of tickets of  
3 admission to a sporting event, theater, musical performance, or  
4 place of public entertainment or amusement of any kind for a  
5 price in excess of the printed box office ticket price by a  
6 ticket broker who meets all of the following requirements:

7 (1) The ticket broker is duly registered with the  
8 Office of the Secretary of State on a registration form  
9 provided by that Office. The registration must contain a  
10 certification that the ticket broker:

11 (A) engages in the resale of tickets on a regular  
12 and ongoing basis from one or more permanent or fixed  
13 locations located within this State;

14 (B) maintains as the principal business activity  
15 at those locations the resale of tickets;

16 (C) displays at those locations the ticket  
17 broker's registration;

18 (D) maintains at those locations a listing of the  
19 names and addresses of all persons employed by the  
20 ticket broker;

21 (E) is in compliance with all applicable federal,  
22 State, and local laws relating to its ticket selling  
23 activities, and that neither the ticket broker nor any  
24 of its employees within the preceding 12 months have  
25 been convicted of a violation of this Act; and

26 (F) meets the following requirements:

1 (i) the ticket broker maintains a toll free  
2 number specifically dedicated for Illinois  
3 consumer complaints and inquiries concerning  
4 ticket sales;

5 (ii) the ticket broker has adopted a code that  
6 advocates consumer protection that includes, at a  
7 minimum:

8 (a-1) consumer protection guidelines;

9 (b-1) a standard refund policy. In the  
10 event a refund is due, the ticket broker shall  
11 provide that refund without charge other than  
12 for reasonable delivery fees for the return of  
13 the tickets; and

14 (c-1) standards of professional conduct;

15 (iii) the ticket broker has adopted a  
16 procedure for the binding resolution of consumer  
17 complaints by an independent, disinterested third  
18 party and thereby submits to the jurisdiction of  
19 the State of Illinois; and

20 (iv) the ticket broker has established and  
21 maintains a consumer protection rebate fund in  
22 Illinois in an amount in excess of \$100,000, which  
23 must be cash available for immediate disbursement  
24 for satisfaction of valid consumer complaints.

25 Alternatively, the ticket broker may fulfill the  
26 requirements of subparagraph (F) of this paragraph (1) if

1 the ticket broker certifies that he or she belongs to a  
2 professional association organized under the laws of this  
3 State, or organized under the laws of any other state and  
4 authorized to conduct business in Illinois, that has been  
5 in existence for at least 3 years prior to the date of that  
6 broker's registration with the Office of the Secretary of  
7 State, and is specifically dedicated, for and on behalf of  
8 its members, to provide and maintain the consumer  
9 protection requirements of subparagraph (F) of this  
10 paragraph (1) to maintain the integrity of the ticket  
11 brokerage industry.

12 (2) (Blank).

13 (3) The ticket broker and his employees must not engage  
14 in the practice of selling, or attempting to sell, tickets  
15 for any event while sitting or standing near the facility  
16 at which the event is to be held or is being held unless  
17 the ticket broker or his or her employees are on property  
18 they own, lease, or have permission to occupy.

19 (4) The ticket broker must comply with all requirements  
20 of the Retailers' Occupation Tax Act and collect and remit  
21 all other applicable federal, State and local taxes in  
22 connection with the ticket broker's ticket selling  
23 activities.

24 (5) Beginning January 1, 1996, no ticket broker shall  
25 advertise for resale any tickets within this State unless  
26 the advertisement contains the name of the ticket broker

1 and the Illinois registration number issued by the Office  
2 of the Secretary of State under this Section.

3 (6) Each ticket broker registered under this Act shall  
4 pay an annual registration fee of \$100.

5 (c) This Act does not apply to the sale of tickets of  
6 admission to a sporting event, theater, musical performance, or  
7 place of public entertainment or amusement of any kind for a  
8 price in excess of the printed box office ticket price by a  
9 reseller engaged in interstate or intrastate commerce on an  
10 Internet auction listing service duly registered with the  
11 Department of Financial and Professional Regulation under the  
12 Auction License Act and with the Office of the Secretary of  
13 State on a registration form provided by that Office. This  
14 subsection (c) applies to both sales through an online bid  
15 submission process and sales at a fixed price on the same  
16 website or interactive computer service as an Internet auction  
17 listing service registered with the Department of Financial and  
18 Professional Regulation.

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

22 (1) the operator maintains a listing of the names and  
23 addresses of its corporate officers;

24 (2) the operator is in compliance with all applicable  
25 federal, State, and local laws relating to ticket selling  
26 activities, and the operator's officers and directors have

1 not been convicted of a violation of this Act within the  
2 preceding 12 months;

3 (3) the operator maintains, either itself or through an  
4 affiliate, a toll free number dedicated for consumer  
5 complaints;

6 (4) the operator provides consumer protections that  
7 include at a minimum:

8 (A) consumer protection guidelines;

9 (B) a standard refund policy that guarantees to all  
10 purchasers that it will provide and in fact provides a  
11 full refund of the amount paid by the purchaser  
12 (including, but not limited to, all fees, regardless of  
13 how characterized) if the following occurs:

14 (i) the ticketed event is cancelled and the  
15 purchaser returns the tickets to the seller or  
16 Internet auction listing service; however,  
17 reasonable delivery fees need not be refunded if  
18 the previously disclosed guarantee specifies that  
19 the fees will not be refunded if the event is  
20 cancelled;

21 (ii) the ticket received by the purchaser does  
22 not allow the purchaser to enter the ticketed event  
23 for reasons that may include, without limitation,  
24 that the ticket is counterfeit or that the ticket  
25 has been cancelled by the issuer due to  
26 non-payment, unless the ticket is cancelled due to

1 an act or omission by such purchaser;

2 (iii) the ticket fails to conform to its  
3 description on the Internet auction listing  
4 service; or

5 (iv) the ticket seller willfully fails to send  
6 the ticket or tickets to the purchaser, or the  
7 ticket seller attempted to deliver the ticket or  
8 tickets to the purchaser in the manner required by  
9 the Internet auction listing service and the  
10 purchaser failed to receive the ticket or tickets;  
11 and

12 (C) standards of professional conduct;

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

20 (6) the operator either:

21 (A) complies with all applicable requirements of  
22 the Retailers' Occupation Tax Act and collects and  
23 remits all applicable federal, State, and local taxes;  
24 or

25 (B) publishes a written notice on the website after  
26 the sale of one or more tickets that automatically

1 informs the ticket reseller of the ticket reseller's  
2 potential legal obligation to pay any applicable local  
3 amusement tax in connection with the reseller's sale of  
4 tickets, and discloses to law enforcement or other  
5 government tax officials, without subpoena, the name,  
6 city, state, telephone number, e-mail address, user ID  
7 history, fraud complaints, and bidding and listing  
8 history of any specifically identified reseller or  
9 purchaser upon the receipt of a verified request from  
10 law enforcement or other government tax officials  
11 relating to a criminal investigation or alleged  
12 illegal activity; and

13 (7) the operator either:

14 (A) has established and maintains a consumer  
15 protection rebate fund in Illinois in an amount in  
16 excess of \$100,000, which must be cash available for  
17 immediate disbursement for satisfaction of valid  
18 consumer complaints; or

19 (B) has obtained and maintains in force an errors  
20 and omissions insurance policy that provides at least  
21 \$100,000 in coverage and proof that the policy has been  
22 filed with the Department of Financial and  
23 Professional Regulation.

24 (d) This Act does not apply to the resale of tickets of  
25 admission to a sporting event, theater, musical performance, or  
26 place of public entertainment or amusement of any kind for a



1 price in excess of the printed box office ticket price  
2 conducted at an auction solely by or for a not-for-profit  
3 organization for charitable purposes under clause (a)(1) of  
4 Section 10-1 of the Auction License Act.

5 (e) This Act does not apply to the resale of a ticket for  
6 admission to a baseball game, football game, hockey game,  
7 theatre entertainment, or any other amusement for a price more  
8 than the price printed on the face of the ticket and for more  
9 than the price of the ticket at the box office if the resale is  
10 made through an Internet website whose operator meets the  
11 following requirements:

12 (1) the operator has a business presence and physical  
13 street address in the State of Illinois and clearly and  
14 conspicuously posts that address on the website;

15 (2) the operator maintains a listing of the names of  
16 the operator's directors and officers, and is duly  
17 registered with the Office of the Secretary of State on a  
18 registration form provided by that Office;

19 (3) the operator is in compliance with all applicable  
20 federal, State, and local laws relating to its ticket  
21 reselling activities regulated under this Act, and the  
22 operator's officers and directors have not been convicted  
23 of a violation of this Act within the preceding 12 months;

24 (4) the operator maintains a toll free number  
25 specifically dedicated for consumer complaints and  
26 inquiries regarding ticket resales made through the

1 website;

2 (5) the operator either:

3 (A) has established and maintains a consumer  
4 protection rebate fund in Illinois in an amount in  
5 excess of \$100,000, which must be cash available for  
6 immediate disbursement for satisfaction of valid  
7 consumer complaints; or

8 (B) has obtained and maintains in force an errors  
9 and omissions policy of insurance in the minimum amount  
10 of \$100,000 for the satisfaction of valid consumer  
11 complaints;

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

19 (7) the operator either:

20 (A) complies with all applicable requirements of  
21 the Retailers' Occupation Tax Act and collects and  
22 remits all applicable federal, State, and local taxes;  
23 or

24 (B) publishes a written notice on the website after  
25 the sale of one or more tickets that automatically  
26 informs the ticket reseller of the ticket reseller's

1 potential legal obligation to pay any applicable local  
2 amusement tax in connection with the reseller's sale of  
3 tickets, and discloses to law enforcement or other  
4 government tax officials, without subpoena, the name,  
5 city, state, telephone number, e-mail address, user ID  
6 history, fraud complaints, and bidding and listing  
7 history of any specifically identified reseller or  
8 purchaser upon the receipt of a verified request from  
9 law enforcement or other government tax officials  
10 relating to a criminal investigation or alleged  
11 illegal activity; and

12 (8) the operator guarantees to all purchasers that it  
13 will provide and in fact provides a full refund of the  
14 amount paid by the purchaser (including, but not limited  
15 to, all fees, regardless of how characterized) if any of  
16 the following occurs:

17 (A) the ticketed event is cancelled and the  
18 purchaser returns the tickets to the website operator;  
19 however, reasonable delivery fees need not be refunded  
20 if the previously disclosed guarantee specifies that  
21 the fees will not be refunded if the event is  
22 cancelled;

23 (B) the ticket received by the purchaser does not  
24 allow the purchaser to enter the ticketed event for  
25 reasons that may include, without limitation, that the  
26 ticket is counterfeit or that the ticket has been

1 cancelled by the issuer due to non-payment, unless the  
2 ticket is cancelled due to an act or omission by the  
3 purchaser;

4 (C) the ticket fails to conform to its description  
5 on the website; or

6 (D) the ticket seller willfully fails to send the  
7 ticket or tickets to the purchaser, or the ticket  
8 seller attempted to deliver the ticket or tickets to  
9 the purchaser in the manner required by the website  
10 operator and the purchaser failed to receive the ticket  
11 or tickets.

12 Nothing in this subsection (e) shall be deemed to imply any  
13 limitation on ticket sales made in accordance with subsections  
14 (b), (c), and (d) of this Section or any limitation on sales  
15 made in accordance with Section 4.

16 (f) The provisions of subsections (b), (c), (d), and (e) of  
17 this Section apply only to the resale of a ticket after the  
18 initial sale of that ticket. No reseller of a ticket may refuse  
19 to sell tickets to another ticket reseller solely on the basis  
20 that the purchaser is a ticket reseller or ticket broker  
21 authorized to resell tickets pursuant to this Act.

22 (f-5) In addition to the requirements imposed under  
23 subsections (b), (c), (d), (e), and (f) of this Section, ticket  
24 brokers and resellers must comply with the requirements of this  
25 subsection. Before accepting any payment from a purchaser,  
26 ticket brokers and resellers must disclose to the purchaser in

1 a clear, conspicuous, and readily noticeable manner the  
2 following information:

3 (1) the registered name and city of the event venue box  
4 office; and

5 (2) that the ticket broker or reseller is not the event  
6 venue box office, but is, instead, a ticket broker or  
7 reseller and that lost or stolen tickets may be reissued  
8 only by ticket brokers or resellers.

9 Before selling and accepting payment for a ticket, a ticket  
10 broker or reseller must require the purchaser to acknowledge by  
11 an affirmative act the disclosures required under this  
12 subsection. The disclosures required by this subsection must be  
13 made in a clear and conspicuous manner, appear together, and be  
14 preceded by the heading "IMPORTANT NOTICE" which must be in  
15 bold face font that is 2 points larger than the font size of  
16 the required disclosures.

17 This subsection (f-5) does not apply to an Internet auction  
18 listing service registered with the Department of Financial and  
19 Professional Regulation as required under the Auction License  
20 Act.

21 (g) The provisions of Public Act 89-406 are severable under  
22 Section 1.31 of the Statute on Statutes.

23 (h) The provisions of this amendatory Act of the 94th  
24 General Assembly are severable under Section 1.31 of the  
25 Statute on Statutes.

26 (Source: P.A. 94-20, eff. 6-14-05.).