



Rep. Stephanie A. Kifowit

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LRB098 15517 JLS 58865 a

1 AMENDMENT TO HOUSE BILL 3958

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

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

6 (815 ILCS 414/1.5) (was 720 ILCS 375/1.5)

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

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

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

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

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

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

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

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

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

25           (F) meets the following requirements:

26           (i) the ticket broker maintains a toll free

1           number specifically dedicated for Illinois  
2           consumer complaints and inquiries concerning  
3           ticket sales;

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

7                   (a-1) consumer protection guidelines;

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

13                   (c-1) standards of professional conduct;

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

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

24          Alternatively, the ticket broker may fulfill the  
25          requirements of subparagraph (F) of this paragraph (1) if  
26          the ticket broker certifies that he or she belongs to a

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

11 (2) (Blank).

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

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

23 (5) Beginning January 1, 1996, no ticket broker shall  
24 advertise for resale any tickets within this State unless  
25 the advertisement contains the name of the ticket broker  
26 and the Illinois registration number issued by the Office

1 of the Secretary of State under this Section.

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

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

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

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

23 (2) the operator is in compliance with all applicable  
24 federal, State, and local laws relating to ticket selling  
25 activities, and the operator's officers and directors have  
26 not been convicted of a violation of this Act within the

1 preceding 12 months;

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

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

7 (A) consumer protection guidelines;

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

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

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

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

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

11           (C) standards of professional conduct;

12           (5) 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           (6) 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 (7) the operator either:

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

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

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



1 conducted at an auction solely by or for a not-for-profit  
2 organization for charitable purposes under clause (a)(1) of  
3 Section 10-1 of the Auction License Act.

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

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

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

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

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

1 (5) the operator either:

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

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

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

18 (7) the operator either:

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

23 (B) publishes a written notice on the website after  
24 the sale of one or more tickets that automatically  
25 informs the ticket reseller of the ticket reseller's  
26 potential legal obligation to pay any applicable local

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

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

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

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

1 ticket is cancelled due to an act or omission by the  
2 purchaser;

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

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

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

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

21 (f-5) In addition to the requirements imposed under  
22 subsections (b), (c), (d), (e), and (f) of this Section, ticket  
23 brokers and resellers must comply with the requirements of this  
24 subsection. A ticket broker, reseller, or Internet auction  
25 listing service may not use a URL or domain name that contains  
26 the name of any venue that sells tickets for admission to a

1 sporting event, theater, musical performance, or place of  
2 public entertainment or amusement of any kind without the  
3 consent of that venue. Nothing in this subsection prohibits the  
4 use of a geographical place name in a URL or domain name.  
5 Nothing in this subsection prohibits an entity from using a  
6 registered federal trade or service mark owned by the licensed  
7 entity as part of that entity's URL or domain name.

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

10 (h) The provisions of this amendatory Act of the 94th  
11 General Assembly are severable under Section 1.31 of the  
12 Statute on Statutes.

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