

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 Section 1.5 as follows:

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

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

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

(1) The ticket broker is duly registered with the Office of the Secretary of State on a registration form

provided by that Office. The registration must contain a certification that the ticket broker:

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

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

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

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

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

(F) meets the following requirements:

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

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

(a-1) consumer protection guidelines;

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

(c-1) standards of professional conduct;

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

(iv) the ticket broker 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.

Alternatively, the ticket broker may fulfill the requirements of subparagraph (F) of this paragraph (1) if the ticket broker certifies that he or she belongs to a professional association organized under the laws of this State, or organized under the laws of any other state and 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 price in excess of the printed box office ticket price by a

reseller engaged in interstate or intrastate commerce on an Internet auction listing service duly registered with the Department of Financial and Professional Regulation under the Auction License Act and with the Office of the Secretary of State on a registration form provided by that Office. This subsection (c) applies to both sales through an online bid submission process and sales at a fixed price on the same website or interactive computer service as an Internet auction listing service registered with the Department of Financial and Professional Regulation.

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 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 Internet auction listing service; 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 purchaser failed to receive the ticket or tickets; 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 and proof that the policy has been filed with the Department of Financial and Professional Regulation.

(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) the operator has a business presence and physical street address in the State of Illinois and clearly and 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;

(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 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

(8) the operator guarantees to all purchasers that it will provide and in fact provides a full refund of the amount paid by the purchaser (including, but not limited to, all fees, regardless of how characterized) if any of 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
- (4) its refund policy, name, and contact information.

Before selling and accepting payment for a ticket, a 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 registered with the Department of Financial and Professional Regulation as required under the Auction License Act.

(g) The provisions of Public Act 89-406 are severable under

Public Act 099-0431

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Section 1.31 of the Statute on Statutes.

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

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