



Sen. Pamela J. Althoff

Filed: 4/24/2017

10000SB1821sam002

LRB100 09678 KTG 25188 a

1 AMENDMENT TO SENATE BILL 1821

2 AMENDMENT NO. _____. Amend Senate Bill 1821, AS AMENDED,
3 with reference to page and line numbers of Senate Amendment No.
4 1 by inserting on page 91 immediately below line 23 the
5 following:

6 "Section 105. The Ticket Sale and Resale Act is amended by
7 changing Section 1.5 as follows:

8 (815 ILCS 414/1.5) (was 720 ILCS 375/1.5)

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

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

1 price of said ticket shall correspond with the same price shown
2 at the box office or the office of original distribution.

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

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

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

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

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

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

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

1 (F) meets the following requirements:

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

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

9 (a-1) consumer protection guidelines;

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

15 (c-1) standards of professional conduct;

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

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

26 Alternatively, the ticket broker may fulfill the

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

13 (2) (Blank).

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

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

25 (5) Beginning January 1, 1996, no ticket broker shall
26 advertise for resale any tickets within this State unless

1 the advertisement contains the name of the ticket broker
2 and the Illinois registration number issued by the Office
3 of the Secretary of State under this Section.

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

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

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

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

25 (2) the operator is in compliance with all applicable
26 federal, State, and local laws relating to ticket selling

1 activities, and the operator's officers and directors have
2 not been convicted of a violation of this Act within the
3 preceding 12 months;

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

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

9 (A) consumer protection guidelines;

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

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

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

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

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

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

13 (C) standards of professional conduct;

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

21 (6) the operator either:

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

26 (B) publishes a written notice on the website after

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

14 (7) the operator either:

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

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

25 (d) This Act does not apply to the resale of tickets of
26 admission to a sporting event, theater, musical performance, or

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

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

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

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

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

25 (4) the operator maintains a toll free number
26 specifically dedicated for consumer complaints and

1 inquiries regarding ticket resales made through the
2 website;

3 (5) the operator either:

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

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

13 (6) 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 (7) 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 (8) the operator guarantees to all purchasers that it
14 will provide and in fact provides a full refund of the
15 amount paid by the purchaser (including, but not limited
16 to, all fees, regardless of how characterized) if any of
17 the following occurs:

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

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

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

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

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

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

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

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

1 ticket broker or reseller must disclose to the purchaser in a
2 clear, conspicuous, and readily noticeable manner the
3 following information:

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

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

10 (3) whether it is registered under this Act; and

11 (4) its refund policy, name, and contact information.

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

20 Ticket brokers and resellers must guarantee a full refund
21 of the amount paid by the purchaser, including handling and
22 delivery fees, if any of the following occurs:

23 (1) the ticket received by the purchaser does not grant
24 the purchaser admission to the event described on the
25 ticket, unless it is due to an act or omission by the
26 purchaser;

1 (2) the ticket fails to conform substantially to its
2 description as advertised; or

3 (3) the event for which the ticket has been resold is
4 cancelled and not rescheduled.

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

9 (g) The provisions of Public Act 89-406 are severable under
10 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
13 Statute on Statutes.

14 (Source: P.A. 99-431, eff. 1-1-16.)".