



## 103RD GENERAL ASSEMBLY

### State of Illinois

2023 and 2024

**HB5044**

Introduced 2/8/2024, by Rep. Barbara Hernandez

#### SYNOPSIS AS INTRODUCED:

815 ILCS 414/1.5

was 720 ILCS 375/1.5

Amends the Ticket Sale and Resale Act. Provides that the resale of specified tickets that are otherwise not covered by the Act shall not exceed 40% of the price printed on the face of the ticket or 40% of the price of the ticket at the box office, whichever is less. Provides that the Attorney General shall enforce the provision and may issue fines and penalties to operators who violate the provisions. Provides that the Office of the Attorney General shall adopt rules to enforce the provision, including the amount of fines for each violation and other financial penalties. Provides that the provision is operative 2 years after the effective date of the amendatory Act.

LRB103 39390 SPS 69569 b

1 AN ACT concerning business.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

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), (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  
14 more than the price printed upon the face of said ticket, and  
15 the price of said ticket shall correspond with the same price  
16 shown at the box office or the office of original  
17 distribution.

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

23 (1) The ticket broker is duly registered with the

1 Office of the Secretary of State 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 advocates consumer protection that includes, at a  
26 minimum:

- 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  
24 in existence for at least 3 years prior to the date of that  
25 broker's registration with the Office of the Secretary of  
26 State, and is specifically dedicated, for and on behalf of

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

5 (2) (Blank).

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

12 (4) The ticket broker must comply with all  
13 requirements of the Retailers' Occupation Tax Act and  
14 collect and remit all other applicable federal, State and  
15 local taxes in connection with the ticket broker's ticket  
16 selling activities.

17 (5) Beginning January 1, 1996, no ticket broker shall  
18 advertise for resale any tickets within this State unless  
19 the advertisement contains the name of the ticket broker  
20 and the Illinois registration number issued by the Office  
21 of the Secretary of State under this Section.

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

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

1 price in excess of the printed box office ticket price by a  
2 reseller engaged in interstate or intrastate commerce on an  
3 Internet auction listing service duly registered with the  
4 Office of the Secretary of State on a registration form  
5 provided by that Office. This subsection (c) applies to both  
6 sales through an online bid submission process and sales at a  
7 fixed price on the same website or interactive computer  
8 service as an Internet auction listing service.

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

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

14 (2) the operator is in compliance with all applicable  
15 federal, State, and local laws relating to ticket selling  
16 activities, and the operator's officers and directors have  
17 not been convicted of a violation of this Act within the  
18 preceding 12 months;

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

22 (4) the operator provides consumer protections that  
23 include at a minimum:

24 (A) consumer protection guidelines;

25 (B) a standard refund policy that guarantees to  
26 all purchasers that it will provide and in fact

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

5 (i) the ticketed event is cancelled and the  
6 purchaser returns the tickets to the seller or  
7 Internet auction listing service; however,  
8 reasonable delivery fees need not be refunded if  
9 the previously disclosed guarantee specifies that  
10 the fees will not be refunded if the event is  
11 cancelled;

12 (ii) the ticket received by the purchaser does  
13 not allow the purchaser to enter the ticketed  
14 event for reasons that may include, without  
15 limitation, that the ticket is counterfeit or that  
16 the ticket has been cancelled by the issuer due to  
17 non-payment, unless the ticket is cancelled due to  
18 an act or omission by such purchaser;

19 (iii) the ticket fails to conform to its  
20 description on the Internet auction listing  
21 service; or

22 (iv) the ticket seller willfully fails to send  
23 the ticket or tickets to the purchaser, or the  
24 ticket seller attempted to deliver the ticket or  
25 tickets to the purchaser in the manner required by  
26 the Internet auction listing service and the

1 purchaser failed to receive the ticket or tickets;

2 and

3 (C) standards of professional conduct;

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

11 (6) the operator either:

12 (A) complies with all applicable requirements of  
13 the Retailers' Occupation Tax Act and collects and  
14 remits all applicable federal, State, and local taxes;  
15 or

16 (B) publishes a written notice on the website  
17 after the sale of one or more tickets that  
18 automatically informs the ticket reseller of the  
19 ticket reseller's potential legal obligation to pay  
20 any applicable local amusement tax in connection with  
21 the reseller's sale of tickets, and discloses to law  
22 enforcement or other government tax officials, without  
23 subpoena, the name, city, state, telephone number,  
24 e-mail address, user ID history, fraud complaints, and  
25 bidding and listing history of any specifically  
26 identified reseller or purchaser upon the receipt of a



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

4 (7) the operator either:

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

10 (B) has obtained and maintains in force an errors  
11 and omissions insurance policy that provides at least  
12 \$100,000 in coverage.

13 (d) This Act does not apply to the resale of tickets of  
14 admission to a sporting event, theater, musical performance,  
15 or place of public entertainment or amusement of any kind for a  
16 price in excess of the printed box office ticket price  
17 conducted at an auction solely by or for a not-for-profit  
18 organization for charitable purposes under clause (a)(1) of  
19 Section 10-1 of the Auction License Act.

20 (e) Except as provided in subsection (e-5), this ~~This~~ Act  
21 does not apply to the resale of a ticket for admission to a  
22 baseball game, football game, hockey game, theatre  
23 entertainment, or any other amusement for a price more than  
24 the price printed on the face of the ticket and for more than  
25 the price of the ticket at the box office if the resale is made  
26 through an Internet website whose operator meets the following

1 requirements:

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

5 (2) the operator maintains a listing of the names of  
6 the operator's directors and officers, and is duly  
7 registered with the Office of the Secretary of State on a  
8 registration form provided by that Office;

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

14 (4) the operator maintains a toll free number  
15 specifically dedicated for consumer complaints and  
16 inquiries regarding ticket resales made through the  
17 website;

18 (5) the operator either:

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

24 (B) has obtained and maintains in force an errors  
25 and omissions policy of insurance in the minimum  
26 amount of \$100,000 for the satisfaction of valid

1 consumer complaints;

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

9 (7) the operator either:

10 (A) complies with all applicable requirements of  
11 the Retailers' Occupation Tax Act and collects and  
12 remits all applicable federal, State, and local taxes;  
13 or

14 (B) publishes a written notice on the website  
15 after the sale of one or more tickets that  
16 automatically informs the ticket reseller of the  
17 ticket reseller's potential legal obligation to pay  
18 any applicable local amusement tax in connection with  
19 the reseller's sale of tickets, and discloses to law  
20 enforcement or other government tax officials, without  
21 subpoena, the name, city, state, telephone number,  
22 e-mail address, user ID history, fraud complaints, and  
23 bidding and listing history of any specifically  
24 identified reseller or purchaser upon the receipt of a  
25 verified request from law enforcement or other  
26 government tax officials relating to a criminal

1 investigation or alleged illegal activity; and

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

7 (A) the ticketed event is cancelled and the  
8 purchaser returns the tickets to the website operator;  
9 however, reasonable delivery fees need not be refunded  
10 if the previously disclosed guarantee specifies that  
11 the fees will not be refunded if the event is  
12 cancelled;

13 (B) the ticket received by the purchaser does not  
14 allow the purchaser to enter the ticketed event for  
15 reasons that may include, without limitation, that the  
16 ticket is counterfeit or that the ticket has been  
17 cancelled by the issuer due to non-payment, unless the  
18 ticket is cancelled due to an act or omission by the  
19 purchaser;

20 (C) the ticket fails to conform to its description  
21 on the website; or

22 (D) the ticket seller willfully fails to send the  
23 ticket or tickets to the purchaser, or the ticket  
24 seller attempted to deliver the ticket or tickets to  
25 the purchaser in the manner required by the website  
26 operator and the purchaser failed to receive the

1 ticket or tickets.

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

6 (e-5) The resale of tickets that satisfy the requirements  
7 described in subsection (e) shall not exceed 40% of the price  
8 printed on the face of the ticket or 40% of the price of the  
9 ticket at the box office, whichever is less. The Attorney  
10 General shall enforce the provisions of this subsection and  
11 may issue fines and penalties to operators who violate this  
12 subsection. The Office of the Attorney General shall adopt  
13 rules to enforce this subsection, including the amount of  
14 fines for each violation and other financial penalties. This  
15 subsection is operative 2 years after the effective date of  
16 this amendatory Act of the 103rd General Assembly.

17 (f) The provisions of subsections (b), (c), (d), and (e)  
18 of 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,  
25 ticket brokers and resellers must comply with the requirements  
26 of this subsection. Before accepting any payment from a

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

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

5 (2) that the ticket broker or reseller is not the  
6 event venue box office or its licensed ticket agent, but  
7 is, 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  
13 ticket broker or reseller must require the purchaser to  
14 acknowledge by an affirmative act the disclosures required  
15 under this subsection. The disclosures required by this  
16 subsection must be made in a clear and conspicuous manner,  
17 appear together, and be preceded by the heading "IMPORTANT  
18 NOTICE" which must be in bold face font that is larger than the  
19 font size of the 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  
24 grant the purchaser admission to the event described on  
25 the 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  
6           auction listing service.

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

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

12          (Source: P.A. 99-431, eff. 1-1-16; 100-534, eff. 9-22-17.)