

AN ACT concerning criminal law.

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

Section 5. The Ticket Scalping Act is amended by changing Sections 0.01, 1, and 1.5 as follows:

(720 ILCS 375/0.01) (from Ch. 121 1/2, par. 157.30)

Sec. 0.01. Short title. This Act may be cited as the Ticket Sale and Resale ~~Scalping~~ Act.

(Source: P.A. 86-1324.)

(720 ILCS 375/1) (from Ch. 121 1/2, par. 157.31)

Sec. 1. Sale of tickets other than at box office prohibited; exceptions.

(a) It is unlawful for any person, firm or corporation, owner, lessee, manager, trustee, or any of their employees or agents, owning, conducting, managing or operating any theater, circus, baseball park, place of public entertainment or amusement where tickets of admission are sold for any such places of amusement or public entertainment to sell or permit the sale, barter or exchange of such admission tickets at any other place than in the box office or on the premises of such theater, circus, baseball park, place of public entertainment or amusement, but nothing herein prevents such theater, circus, baseball park, place of public entertainment or amusement from placing any of its admission tickets for sale at any other place at the same price such admission tickets are sold by such theater, circus, baseball park or other place of public entertainment or amusement at its box office or on the premises of such places, at the same advertised price or printed rate thereof.

(b) Any term or condition of the original sale of a ticket to any theater, circus, baseball park, or place of public

entertainment or amusement where tickets of admission are sold that purports to limit the terms or conditions of resale of the ticket (including but not limited to the resale price of the ticket) is unenforceable, null, and void if the resale transaction is carried out by any of the means set forth in subsections (b), (c), (d), and (e) of Section 1.5 of this Act. This subsection shall not apply to a term or condition of the original sale of a ticket to any theater, circus, baseball park, or place of public entertainment or amusement where tickets of admission are sold that purports to limit the terms or conditions of resale of a ticket specifically designated as seating in a special section for a person with a physical disability.

(Source: Laws 1923, p. 322.)

(720 ILCS 375/1.5) (from Ch. 121 1/2, par. 157.32)

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) ~~subsection (b)~~ 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 ~~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 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) ~~that the ticket broker~~ meets the following requirements:

(i) the ticket broker maintains a ~~statewide~~ toll free number specifically dedicated for Illinois ~~for~~ 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, ~~at least 50% of~~ 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) ~~subsection (b)~~ 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) ~~subsection (b)~~ 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 ~~laws~~ in connection with the ticket broker's ~~his~~ 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.

(g) The provisions of Public Act 89-406 ~~this amendatory Act of 1995~~ are severable under 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. 89-406, eff. 11-15-95.)

Section 99. Effective date. This Act takes effect upon becoming law.