

Sen. Michael E. Hastings

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10200SB2344sam001

LRB102 12646 KTG 24922 a

1 AMENDMENT TO SENATE BILL 2344 2 AMENDMENT NO. . Amend Senate Bill 2344 by replacing everything after the enacting clause with the following: 3 "Section 5. The Ticket Sale and Resale Act is amended by 4 changing Sections 1, 1.5, and 2 and by adding Sections 1.7 and 5 6 1.9 as follows: 7 (815 ILCS 414/1) (was 720 ILCS 375/1) Sec. 1. Sale of tickets other than at box office 8 9 prohibited; exceptions. 10 (a) It is unlawful for any person, firm or corporation, owner, lessee, manager, trustee, or any of their employees or 11 12 agents, owning, conducting, managing or operating any theater, 13 circus, sporting event baseball park, or place of public entertainment or amusement where tickets of admission are sold 14

for any such places of amusement or public entertainment (each

hereinafter referred to as a "primary seller") to do any of the

following:

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- (1) 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, sporting event baseball park, or place of public entertainment or amusement (each hereinafter referred to as a "venue"), but nothing herein prevents such primary seller theater, circus, baseball park, or 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 primary seller theater, circus, baseball park, or other place of public entertainment or amusement at its box office or on the premises of such venue places, at the same advertised price or printed rate thereof;
- (2) restrict the ability of a purchaser who has purchased tickets from such primary seller to resell any such tickets (A) independent of such primary seller and any secondary ticket sales marketplace owned or affiliated with such primary seller and (B) on the secondary ticket sales marketplace of the purchaser's choice; or
- (3) sanction or deny admission to an event on the basis that such purchaser resold a ticket, gifted a ticket, or purchased a resold ticket or otherwise discriminate against a purchaser who has resold, gifted, or purchased a resold ticket by: (A) charging any transfer

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or other fees, regardless of how characterized, for the transfer of a ticket outside of the ticketing system operated by the primary seller, (B) requiring the provision of any data regarding the resale transaction other than data required to validate and fulfill the ticket transfer request, or (C) otherwise impeding the transfer of a ticket through technological obstacles or other means.

(b) Any term or condition of the original sale of a ticket to any venue 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 (f-5), 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 venue 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.

24 (Source: P.A. 99-78, eff. 7-20-15.)

25 (815 ILCS 414/1.5) (was 720 ILCS 375/1.5)

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- Sec. 1.5. Sale of tickets at more than face value prohibited; exceptions.
 - (a) Except as otherwise provided in subsections (b), (c), (d), (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, theater 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 <u>venue</u> 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;

Τ	(C) displays at those locations the ticket
2	broker's registration;
3	(D) maintains at those locations a listing of the
4	names and addresses of all persons employed by the
5	ticket broker;
6	(E) is in compliance with all applicable federal,
7	State, and local laws relating to its ticket selling
8	activities, and that neither the ticket broker nor any
9	of its employees within the preceding 12 months have
10	been convicted of a violation of this Act; and
11	(F) meets the following requirements:
12	(i) the ticket broker maintains a toll free
13	number specifically dedicated for Illinois
14	consumer complaints and inquiries concerning
15	ticket sales;
16	(ii) the ticket broker has adopted a code that
17	advocates consumer protection that includes, at a
18	minimum:
19	(a-1) consumer protection guidelines;
20	(b-1) a standard refund policy. In the
21	event a refund is due, the ticket broker shall
22	provide that refund without charge other than
23	for reasonable delivery fees for the return of
24	the tickets; and
25	(c-1) standards of professional conduct;
26	(iii) the ticket broker has adopted a

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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

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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 venue 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 a resale marketplace an Internet auction listing service duly registered with the Office of the Secretary of State on a registration form provided by that Office. "Resale marketplace" means any business, including a website, software application for a mobile device, or any other digital platform, or portion thereof, which facilitates the resale of

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1	tickets between sellers and purchasers. This subsection (c)
2	applies to both sales through an online bid submission process
3	and sales at a fixed price on the same website or interactive
4	computer service as an Internet auction listing service.
5	This subsection (c) applies to resales described in this
6	subsection only if such resales are made through a resale

This subsection (c) applies to resales described in this subsection only if <u>such resales are made through a resale</u> marketplace that 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

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1	occurs:
2	(i) the ticketed event is cancelled and the
3	purchaser returns the tickets to the seller or
4	Internet auction listing service; however,
5	reasonable delivery fees need not be refunded if
6	the previously disclosed guarantee specifies that
7	the fees will not be refunded if the event is
8	cancelled;
9	(ii) the ticket received by the purchaser does
10	not allow the purchaser to enter the ticketed
11	event for reasons that may include, without
12	limitation, that the ticket is counterfeit or that
13	the ticket has been cancelled by the issuer due to
14	non-payment, unless the ticket is cancelled due to
15	an act or omission by such purchaser;
16	(iii) the ticket fails to conform to its
17	description on the <u>resale marketplace</u> Internet
18	auction listing service; or
19	(iv) the ticket seller willfully fails to send
20	the ticket or tickets to the purchaser, or the
21	ticket seller attempted to deliver the ticket or
22	tickets to the purchaser in the manner required by
23	the <u>resale marketplace</u> Internet auction listing
24	service and the purchaser failed to receive the

ticket or tickets, unless such failure of delivery

was due to an act or omission of the purchaser; and

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- (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 sale of one or more tickets after the 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

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1	investigation or alleged illegal activity; and
2	(7) the operator either:
3	(A) has established and maintains a consumer
4	protection rebate fund in Illinois in an amount in
5	excess of \$100,000, which must be cash available for
6	immediate disbursement for satisfaction of valid
7	consumer complaints; or
8	(B) has obtained and maintains in force an errors
9	and omissions insurance policy that provides at least
10	\$100,000 in coverage.
11	(d) This Act does not apply to the resale of tickets of
12	admission to a <u>venue</u> sporting event, theater, musical
13	performance, or place of public entertainment or amusement of
14	any kind for a price in excess of the printed box office ticket
15	price conducted at an auction solely by or for a
16	not-for-profit organization for charitable purposes under
17	clause (a)(1) of Section 10-1 of the Auction License Act.
18	(e) (Blank). This Act does not apply to the resale of a
19	ticket for admission to a baseball game, football game, hockey
20	game, theatre entertainment, or any other amusement for a
21	price more than the price printed on the face of the ticket and

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

conspicuously posts that address on the website;

2	(2) the operator maintains a listing of the names of
3	the operator's directors and officers, and is duly
4	registered with the Office of the Secretary of State on a
5	registration form provided by that Office;
6	(3) the operator is in compliance with all applicable
7	federal, State, and local laws relating to its ticket
8	reselling activities regulated under this Act, and the
9	operator's officers and directors have not been convicted
10	of a violation of this Act within the preceding 12 months;
11	(4) the operator maintains a toll free number
12	specifically dedicated for consumer complaints and
13	inquiries regarding ticket resales made through the
14	website;
15	(5) the operator either:
16	(A) has established and maintains a consumer
17	protection rebate fund in Illinois in an amount in
18	excess of \$100,000, which must be cash available for
19	immediate disbursement for satisfaction of valid
20	consumer complaints; or
21	(B) has obtained and maintains in force an errors
22	and omissions policy of insurance in the minimum
23	amount of \$100,000 for the satisfaction of valid
24	consumer complaints;
25	(6) the operator has adopted an independent and
26	disinterested dispute resolution procedure that allows

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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;

(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

will provide and in fact provides a full refund of the

amount paid by the purchaser (including, but not limited

2	to, all fees, regardless of how characterized) if any of
3	the following occurs:
4	(A) the ticketed event is cancelled and the
5	purchaser returns the tickets to the website operator;
6	however, reasonable delivery fees need not be refunded
7	if the previously disclosed guarantee specifies that
8	the fees will not be refunded if the event is
9	cancelled;
10	(B) the ticket received by the purchaser does not
11	allow the purchaser to enter the ticketed event for
12	reasons that may include, without limitation, that the
13	ticket is counterfeit or that the ticket has been
14	cancelled by the issuer due to non payment, unless the
15	ticket is cancelled due to an act or omission by the
16	purchaser;
17	(C) the ticket fails to conform to its description
18	on the website; or
19	(D) the ticket seller willfully fails to send the
20	ticket or tickets to the purchaser, or the ticket
21	seller attempted to deliver the ticket or tickets to
22	the purchaser in the manner required by the website
23	operator and the purchaser failed to receive the
24	ticket or tickets.
25	Nothing in this subsection (e) shall be deemed to imply
26	any limitation on ticket sales made in accordance with

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1 subsections (b), (c), and (d) of this Sect limitation on sales made in accordance with Section 4.

- (f) The provisions of subsections (b), (c), and (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), $\frac{(e)_{+}}{}$ 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

- 1 under this subsection. The disclosures required by this
- subsection must be made in a clear and conspicuous manner, 2
- 3 appear together, and be preceded by the heading "IMPORTANT
- 4 NOTICE" which must be in bold face font that is larger than the
- 5 font size of the required disclosures.
- Ticket brokers and resellers must quarantee a full refund 6
- of the amount paid by the purchaser, including handling and 7
- 8 delivery fees, if any of the following occurs:
- 9 (1) the ticket received by the purchaser does not
- 10 grant the purchaser admission to the event described on
- 11 the ticket, unless it is due to an act or omission by the
- 12 purchaser;
- 13 (2) the ticket fails to conform substantially to its
- 14 description as advertised; or
- 15 (3) the event for which the ticket has been resold is
- 16 cancelled and not rescheduled.
- 17 This subsection (f-5) does not apply to <u>a resale</u>
- 18 marketplace an Internet auction listing service.
- 19 (q) The provisions of Public Act 89-406 are severable
- 20 under Section 1.31 of the Statute on Statutes.
- 2.1 (h) The provisions of this amendatory Act of the 94th
- 22 General Assembly are severable under Section 1.31 of the
- 23 Statute on Statutes.

- (Source: P.A. 99-431, eff. 1-1-16; 100-534, eff. 9-22-17.) 24
 - (815 ILCS 414/1.7 new)

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- 1 Sec. 1.7. Refund alternative for cancellations and postponements of events caused by epidemics and pandemics; 2 3 primary sellers and resale marketplaces.
 - (a) This Section applies to ticket orders sold by primary sellers and resale marketplaces after January 1, 2022; and shall only apply to those venues with a capacity in excess of 2500 ticket purchasers per ticketed event, or, in the case of multiple-day concert festivals, only to those with a daily attendance in excess of 2,500 ticket purchasers.
 - (b) If a ticketed event is canceled and not rescheduled by reason of any epidemic or pandemic or any other similar cause not under the control of the primary seller or resale marketplace, any ticket sales refunding requirement set forth in other provisions of this Act do not apply and, as soon as a time period of 60 days has elapsed after the official cancellation of such ticketed event, the ticket purchaser may request full compensation worth at least 100% of the value of the purchaser's ticket order (including all fees, regardless of how characterized) from the entity that directly sold the purchaser the ticket.
 - (c) If a ticketed event is postponed by reason of any epidemic or pandemic or any other similar cause not under the control of the primary seller or resale marketplace and the original tickets are valid for entry at the time of the rescheduled event, then any purchaser of such tickets shall not be entitled to a refund or other compensation unless and

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1	until such ticketed event is canceled. Notwithstanding the
2	foregoing, if a postponed ticketed event is rescheduled by the
3	primary seller on a date that is more than 18 months after the
4	date that such event was originally scheduled to occur, then
5	as soon as a time period of 30 days has elapsed after the date
6	that is 18 months from the original date of performance of the
7	ticketed event, the ticket purchaser may either:

- (1) request full compensation worth at least 100% of the value of the purchaser's ticket order (including all fees, regardless of how characterized) from the entity that directly sold the purchaser the ticket; or
- 12 (2) retain and use the valid ticket at the rescheduled 13 event.
 - (d) Nothing in this Section shall prevent a primary seller or resale marketplace from offering a full refund of the amount paid to a purchaser upon such purchaser's request at any time if such primary seller or resale marketplace opts to do so.
- 19 (815 ILCS 414/1.9 new)
- Sec. 1.9. Prohibition of certain ticket purchasing 2.0 21 software. A person may not knowingly use or sell software to circumvent a security measure, access control system, or other 22 23 control or measure used by a primary seller or venue to enforce 24 event ticket purchasing limits or to maintain the integrity of 25 online ticket purchasing order rules.

(815 ILCS 414/2) (was 720 ILCS 375/2)

Sec. 2. (a) Whoever violates any of the provisions of Section 1, 1.5, 1.7, or 1.9 of this Act shall be guilty of a business offense Class A misdemeaner and may be fined up to \$5,000.00 for each offense and whoever violates any other provision of this Act may be enjoined and be required to make restitution to all injured consumers upon application for injunctive relief by the State's Attorney or Attorney General and shall also be guilty of a Class A misdemeaner, and any owner, lessee, manager or trustee convicted under this Act shall, in addition to the penalty herein provided, forfeit the license of such theater theatre, circus, baseball park, or place of public entertainment or amusement so granted and the same shall be revoked by the authorities granting the same.

- (b) (Blank). Tickets sold or offered for sale by a person, firm or corporation in violation of Section 1.5 of this Act may be confiscated by a court on motion of the Attorney General, a State's Attorney, the sponsor of the event for which the tickets are being sold, or the owner or operator of the facility at which the event is to be held, and may be donated by order of the court to an appropriate organization as defined under Section 2 of the Charitable Games Act.
- (c) The Attorney General, a State's Attorney, the sponsor of an event for which tickets are being sold, or the owner or operator of the facility at which an event is to be held may

seek an injunction restraining any person, firm or corporation 1 from selling or offering for sale tickets in violation of the 2 provisions of this Act. In addition, on motion of the Attorney 3 4 General, a State's Attorney, the sponsor of an event for which 5 tickets are being sold, or the owner or operator of the facility at which an event is to be held, a court may 6 permanently enjoin a person, firm or corporation found guilty 7 of violating Section 1.5 of this Act from engaging in the offer 8 9 or sale of tickets.

(Source: P.A. 99-78, eff. 7-20-15.)".