



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB3955

Introduced 2/22/2021, by Rep. Jaime M. Andrade, Jr.

SYNOPSIS AS INTRODUCED:

815 ILCS 601/10

Amends the Automatic Contract Renewal Act. Provides that a consumer who accepts an automatic renewal or continuous service offer online shall be allowed to terminate the automatic renewal or continuous service exclusively online. Requires a business that makes an automatic renewal offer or continuous service offer online to provide a toll-free telephone number, electronic mail address, a postal address if the seller directly bills the consumer, or another cost-effective, timely, and easy-to-use mechanism for cancellation.

LRB102 10588 JLS 15917 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 Automatic Contract Renewal Act is amended
5 by changing Section 10 as follows:

6 (815 ILCS 601/10)

7 Sec. 10. Automatic renewal; requirements.

8 (a) Any person, firm, partnership, association, or
9 corporation that sells or offers to sell any products or
10 services to a consumer pursuant to a contract, where such
11 contract automatically renews unless the consumer cancels the
12 contract, shall disclose the automatic renewal clause clearly
13 and conspicuously in the contract, including the cancellation
14 procedure.

15 (b) Any person, firm, partnership, association, or
16 corporation that sells or offers to sell any products or
17 services to a consumer pursuant to a contract, where such
18 contract term is a specified term of 12 months or more, and
19 where such contract automatically renews for a specified term
20 of more than one month unless the consumer cancels the
21 contract, shall notify the consumer in writing of the
22 automatic renewal. Written notice shall be provided to the
23 consumer no less than 30 days and no more than 60 days before

1 the cancellation deadline pursuant to the automatic renewal
2 clause. Such written notice shall disclose clearly and
3 conspicuously:

4 (i) that unless the consumer cancels the contract it
5 will automatically renew; and

6 (ii) where the consumer can obtain details of the
7 automatic renewal provision and cancellation procedure
8 (for example, by contacting the business at a specified
9 telephone number or address or by referring to the
10 contract).

11 (b-5) A person, firm, partnership, association, or
12 corporation that makes an automatic renewal offer or
13 continuous service offer online shall provide a toll-free
14 telephone number, electronic mail address, a postal address if
15 the seller directly bills the consumer, or another
16 cost-effective, timely, and easy-to-use mechanism for
17 cancellation that shall be described in the notice required in
18 subsection (b). A consumer who accepts an automatic renewal or
19 continuous service offer online must be allowed to terminate
20 the automatic renewal or continuous service exclusively
21 online, which may include a termination email formatted and
22 provided by the business that a consumer can send to the
23 business without additional information.

24 (c) A person, firm, partnership, association, or
25 corporation will not be liable for a violation of this Act or
26 the Consumer Fraud and Deceptive Business Practices Act if

1 such person, firm, partnership, association, or corporation
2 demonstrates that, as part of its routine business practice:

3 (i) it has established and implemented written
4 procedures to comply with this Act and enforces compliance
5 with the procedures;

6 (ii) any failure to comply with this Act is the result
7 of error; and

8 (iii) where an error has caused a failure to comply
9 with this Act, it provides a full refund or credit for all
10 amounts billed to or paid by the consumer from the date of
11 the renewal until the date of the termination of the
12 account, or the date of the subsequent notice of renewal,
13 whichever occurs first.

14 (Source: P.A. 93-950, eff. 1-1-05.)