



Sen. Suzy Glowiak Hilton

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LRB103 27045 SPS 59969 a

1 AMENDMENT TO SENATE BILL 328

2 AMENDMENT NO. _____. Amend Senate Bill 328 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Automatic Contract Renewal Act is amended
5 by changing Sections 5, 10, and 20 as follows:

6 (815 ILCS 601/5)

7 Sec. 5. Definitions. In this Act:

8 "Automatic renewal offer terms" means the following clear
9 and conspicuous disclosures:

10 (1) that the paid subscription or purchasing agreement
11 will continue until the consumer cancels;

12 (2) the timeframe in which the consumer must cancel in
13 order to avoid being charged for a subsequent term;

14 (3) the recurring charges that will be charged to the
15 consumer's credit or debit card or payment account with a
16 third party as part of the automatic renewal contract, and

1 that the amount of the charge may change, if that is the
2 case, and the amount to which the charge will change, if
3 known;

4 (4) the length of the automatic renewal term or that
5 the service is continuous, unless the length of the term
6 is chosen by the consumer; and

7 (5) the minimum purchase obligation, if any.

8 "Clear and conspicuous" means in larger type than the
9 surrounding text, or in contrasting type, font, or color to
10 the surrounding text of the same size, or set off from the
11 surrounding text of the same size by symbols or other marks, in
12 a manner that clearly calls attention to the language. In the
13 case of an audio disclosure, "clear and conspicuous" means in
14 a volume and cadence sufficient to be readily audible and
15 understandable.

16 "Contract" means a written agreement between 2 or more
17 parties.

18 "Parties" includes individuals and other legal entities,
19 but does not include the federal government, this State or
20 another state, or a unit of local government.

21 (Source: P.A. 101-412, eff. 8-16-19; 102-558, eff. 8-20-21.)

22 (815 ILCS 601/10)

23 Sec. 10. Automatic renewal; requirements.

24 (a) Any person, firm, partnership, association, or
25 corporation that sells or offers to sell any products or

1 services to a consumer pursuant to a contract, where such
2 contract automatically renews unless the consumer cancels the
3 contract, shall:

4 (i) disclose the automatic renewal offer terms clause
5 clearly and conspicuously in the contract before the
6 subscription or purchasing agreement is fulfilled and in
7 visual proximity, or in the case of an offer conveyed by
8 voice, in temporal proximity, to the request for consent
9 to the offer; ~~including the cancellation procedure.~~

10 (ii) not charge the consumer's credit or debit card or
11 other payment mechanism for an automatic renewal service
12 without first obtaining the consumer's consent to the
13 contract containing the automatic renewal offer terms;

14 (iii) provide an acknowledgment that includes the
15 automatic renewal offer terms, cancellation policy, and
16 information regarding how to cancel, which may be
17 accomplished by linking to a resource that provides
18 instructions that account for different platforms and
19 services, in a manner that is capable of being retained by
20 the consumer; and

21 (iv) if the offer includes a free gift or trial,
22 disclose how to cancel the contract, which may be
23 accomplished by linking to a resource that provides
24 instructions that account for different platforms and
25 services, and allow the consumer to cancel before the
26 consumer pays for the good or services.

1 (b) Any person, firm, partnership, association, or
2 corporation that sells or offers to sell any products or
3 services to a consumer pursuant to a contract, where such
4 contract term is a specified term of 12 months or more, and
5 where such contract automatically renews for a specified term
6 of more than one month unless the consumer cancels the
7 contract, shall notify the consumer in writing of the
8 automatic renewal. Written notice shall be provided to the
9 consumer no less than 30 days and no more than 60 days before
10 the cancellation deadline pursuant to the automatic renewal
11 offer terms ~~clause~~. Such written notice shall disclose clearly
12 and conspicuously, in a retainable form:

13 (i) that unless the consumer cancels the contract it
14 will automatically renew; ~~and~~

15 (ii) a mechanism for cancelling the contract, which
16 shall be offered in a manner in which the consumer
17 commonly interacts with the business; and ~~where the~~
18 ~~consumer can obtain details of the automatic renewal~~
19 ~~provision and cancellation procedure (for example, by~~
20 ~~contacting the business at a specified telephone number or~~
21 ~~address or by referring to the contract).~~

22 (iii) the deadline by which the consumer must cancel
23 in order to avoid being charged for a subsequent term.

24 (b-5) A person, firm, partnership, association, or
25 corporation that makes an automatic renewal offer or
26 continuous service offer online shall provide a toll-free

1 telephone number, electronic mail address, a postal address if
2 the seller directly bills the consumer, or another
3 cost-effective, timely, and easy-to-use mechanism for
4 cancellation that shall be described in the notice required in
5 subsection (b). A consumer who accepts an automatic renewal or
6 continuous service offer online must be allowed to terminate
7 the automatic renewal or continuous service exclusively
8 online, which may include a termination email formatted and
9 provided by the business that a consumer can send to the
10 business without additional information, or a link to a
11 website or other online service consumers can use to cancel.

12 (c) A person, firm, partnership, association, or
13 corporation will not be liable for a violation of this Act or
14 the Consumer Fraud and Deceptive Business Practices Act if
15 such person, firm, partnership, association, or corporation
16 demonstrates that, as part of its routine business practice:

17 (i) it has established and implemented written
18 procedures to comply with this Act and enforces compliance
19 with the procedures;

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

22 (iii) where an error has caused a failure to comply
23 with this Act, it provides a full refund or credit for all
24 amounts billed to or paid by the consumer from the date of
25 the renewal until the date of the termination of the
26 account, or the date of the subsequent notice of renewal,

1 whichever occurs first.

2 (Source: P.A. 102-517, eff. 1-1-22.)

3 (815 ILCS 601/20)

4 Sec. 20. Applicability.

5 (a) This Act does not apply to a contract entered into
6 before the effective date of this Act.

7 (b) This amendatory Act of the 93rd General Assembly does
8 not apply to a contract entered into before the effective date
9 of this amendatory Act of the 93rd General Assembly.

10 (c) This Act does not apply to business-to-business
11 contracts.

12 (d) This Act does not apply to banks, trust companies,
13 savings and loan associations, savings banks, or credit unions
14 licensed or organized under the laws of any state or the United
15 States, or any foreign bank maintaining a branch or agency
16 licensed or organized under the laws of any state of the United
17 States, or any subsidiary or affiliate thereof.

18 (e) This Act does not apply to a contract that is extended
19 beyond the original term of the contract as the result of the
20 consumer's initiation of a change in the original contract
21 terms.

22 (f) This Act does not apply to a contract for the sale of
23 any product or service by a provider that is subject to Article
24 XXII of the Public Utilities Act.

25 (g) This Act does not apply to a party, or an affiliate of

1 the party, regulated by the Director of the Department of
2 Insurance.

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