1 AN ACT concerning business transactions.

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

- 4 Section 5. The Consumer Fraud and Deceptive Business
- 5 Practices Act is amended by changing Section 2Z as follows:
- 6 (815 ILCS 505/2Z) (from Ch. 121 1/2, par. 262Z)
- 7 Sec. 2Z. Violations of other Acts. Any person who knowingly
- 8 violates the Automotive Repair Act, the Home Repair and
- 9 Remodeling Act, the Dance Studio Act, the Physical Fitness
- 10 Services Act, the Hearing Instrument Consumer Protection Act,
- 11 the Illinois Union Label Act, the Job Referral and Job Listing
- 12 Services Consumer Protection Act, the Travel Promotion
- 13 Consumer Protection Act, the Credit Services Organizations
- 14 Act, the Automatic Telephone Dialers Act, the Pay-Per-Call
- 15 Services Consumer Protection Act, the Telephone Solicitations
- 16 Act, the Illinois Funeral or Burial Funds Act, the Cemetery
- 17 Care Act, the Safe and Hygienic Bed Act, the Pre-Need Cemetery
- Sales Act, the High Risk Home Loan Act, subsection (a) or (b)
- of Section 3-10 of the Cigarette Tax Act, subsection (a) or (b)
- of Section 3-10 of the Cigarette Use Tax Act, the Electronic
- 21 Mail Act, or paragraph (6) of subsection (k) of Section 6-305
- of the Illinois Vehicle Code, or the Automatic Contract Renewal
- 23 Act commits an unlawful practice within the meaning of this
- 24 Act.
- 25 (Source: P.A. 92-426, eff. 1-1-02; 93-561, eff. 1-1-04.)
- Section 10. The Automatic Contract Renewal Act is amended
- 27 by changing Sections 10, 15, and 20 as follows:
- 28 (815 ILCS 601/10)
- Sec. 10. Automatic renewal; requirements.
- 30 (a) Any person, firm, partnership, association, or

1 corporation that sells or offers to sell any products or 2 services on a contract basis to a consumer for services and goods intended for personal use and consumption that 3 4 automatically withdraws or charges a consumer's account for any 5 product or service for a specified term longer than 12 months shall obtain the consumer's written authorization to continue 6 any automatic withdrawal or charge if the contract 7 automatically renews for a term equal to or longer than the 8 original term. If a contract is subject to automatic renewal, 9 10 the clause providing for automatic renewal must appear in the 11 contract in a clear and conspicuous manner.

- (b) This Section does not apply to banks, trust companies, savings and loan associations, savings banks, or credit unions licensed or organized under the laws of any state or of the United States, any foreign bank maintaining a branch or agency licensed or organized under the laws of any state or the United States and licensed under the Consumer Installment Loan Act, or any subsidiary or affiliate, and to any product or service required to be offered by tariff subject to the jurisdiction of the Illinois Commerce Commission.
- 21 (Source: P.A. 91-674, eff. 6-1-00.)
- 22 (815 ILCS 601/15)

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- Sec. 15. Violation. If a contract does not comply with this
  Act, the automatic renewal provisions are not enforceable by a
  party who prepared the contract or directed its preparation. In
  addition to any other penalties specified in this Act, a
  violation of this Act constitutes an unlawful practice under
  the Consumer Fraud and Deceptive Business Practices Act.
- 29 (Source: P.A. 91-674, eff. 6-1-00.)
- 30 (815 ILCS 601/20)
- 31 Sec. 20. Applicability.
- 32 <u>(a)</u> This Act does not apply to a contract entered into 33 before the effective date of this Act.
- 34 (b) This amendatory Act of the 93rd General Assembly does

- not apply to a contract entered into before the effective date 1
- 2 of this amendatory Act of the 93rd General Assembly.
- (Source: P.A. 91-674, eff. 6-1-00.) 3