

1 AN ACT concerning business transactions.

2 **Be it enacted by the People of the State of Illinois,**  
3 **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  
18 Sales Act, the High Risk Home Loan Act, subsection (a) or (b)  
19 of Section 3-10 of the Cigarette Tax Act, subsection (a) or (b)  
20 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  
22 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.)

26 Section 10. The Automatic Contract Renewal Act is amended  
27 by changing Sections 10, 15, and 20 as follows:

28 (815 ILCS 601/10)

29 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 to a consumer pursuant to a contract, where such  
3 contract automatically renews unless the consumer cancels the  
4 contract, shall disclose the automatic renewal clause clearly  
5 and conspicuously in the contract, including the cancellation  
6 procedure. ~~If a contract is subject to automatic renewal, the~~  
7 ~~clause providing for automatic renewal must appear in the~~  
8 ~~contract in a clear and conspicuous manner.~~

9 (b) Any person, firm, partnership, association, or  
10 corporation that sells or offers to sell any products or  
11 services to a consumer pursuant to a contract, where such  
12 contract term is a specified term of 12 months or more, and  
13 where such contract automatically renews for a specified term  
14 of more than one month unless the consumer cancels the  
15 contract, shall notify the consumer in writing of the automatic  
16 renewal. Written notice shall be provided to the consumer no  
17 less than 30 days and no more than 60 days before the  
18 cancellation deadline pursuant to the automatic renewal  
19 clause. Such written notice shall disclose clearly and  
20 conspicuously:

21 (i) that unless the consumer cancels the contract it  
22 will automatically renew; and

23 (ii) where the consumer can obtain details of the  
24 automatic renewal provision and cancellation procedure  
25 (for example, by contacting the business at a specified  
26 telephone number or address or by referring to the  
27 contract).

28 (c) A person, firm, partnership, association, or  
29 corporation will not be liable for a violation of this Act or  
30 the Consumer Fraud and Deceptive Business Practices Act if such  
31 person, firm, partnership, association, or corporation  
32 demonstrates that, as part of its routine business practice:

33 (i) it has established and implemented written  
34 procedures to comply with this Act and enforces compliance  
35 with the procedures;

36 (ii) any failure to comply with this Act is the result

1       of error; and  
2           (iii) where an error has caused a failure to comply  
3       with this Act, it provides a full refund or credit for all  
4       amounts billed to or paid by the consumer from the date of  
5       the renewal until the date of the termination of the  
6       account, or the date of the subsequent notice of renewal,  
7       whichever occurs first.

8       (Source: P.A. 91-674, eff. 6-1-00.)

9           (815 ILCS 601/15)

10       Sec. 15. Violation. A violation of this Act constitutes an  
11       unlawful practice under the Consumer Fraud and Deceptive  
12       Business Practices Act ~~If a contract does not comply with this~~  
13       ~~Act, the automatic renewal provisions are not enforceable by a~~  
14       ~~party who prepared the contract or directed its preparation.~~

15       (Source: P.A. 91-674, eff. 6-1-00.)

16           (815 ILCS 601/20)

17       Sec. 20. Applicability.

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

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

23       (c) This Act does not apply to business-to-business  
24       contracts.

25       (d) This Act does not apply to banks, trust companies,  
26       savings and loan associations, savings banks, or credit unions  
27       licensed or organized under the laws of any state or the United  
28       States, or any foreign bank maintaining a branch or agency  
29       licensed or organized under the laws of any state of the United  
30       States, or any subsidiary or affiliate thereof.

31       (e) This Act does not apply to a contract that is extended  
32       beyond the original term of the contract as the result of the  
33       consumer's initiation of a change in the original contract  
34       terms.

1 (Source: P.A. 91-674, eff. 6-1-00.)