

AN ACT concerning business transactions.

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

Section 5. The Consumer Fraud and Deceptive Business Practices Act is amended by changing Section 2Z as follows:

(815 ILCS 505/2Z) (from Ch. 121 1/2, par. 262Z)

Sec. 2Z. Violations of other Acts. Any person who knowingly violates the Automotive Repair Act, the Home Repair and Remodeling Act, the Dance Studio Act, the Physical Fitness Services Act, the Hearing Instrument Consumer Protection Act, the Illinois Union Label Act, the Job Referral and Job Listing Services Consumer Protection Act, the Travel Promotion Consumer Protection Act, the Credit Services Organizations Act, the Automatic Telephone Dialers Act, the Pay-Per-Call Services Consumer Protection Act, the Telephone Solicitations Act, the Illinois Funeral or Burial Funds Act, the Cemetery 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 Mail Act, ~~or~~ paragraph (6) of subsection (k) of Section 6-305 of the Illinois Vehicle Code, or the Automatic Contract Renewal Act commits an unlawful practice within the meaning of this Act.

(Source: P.A. 92-426, eff. 1-1-02; 93-561, eff. 1-1-04.)

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

(815 ILCS 601/10)

Sec. 10. Automatic renewal; requirements.

(a) Any person, firm, partnership, association, or

corporation that sells or offers to sell any products or services to a consumer pursuant to a contract, where such contract automatically renews unless the consumer cancels the contract, shall disclose the automatic renewal clause clearly and conspicuously in the contract, including the cancellation procedure. ~~If a contract is subject to automatic renewal, the clause providing for automatic renewal must appear in the contract in a clear and conspicuous manner.~~

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

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

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

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

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

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

of error; and

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

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

(815 ILCS 601/15)

Sec. 15. Violation. A violation of this Act constitutes an unlawful practice under the Consumer Fraud and Deceptive Business Practices Act ~~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.~~

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

(815 ILCS 601/20)

Sec. 20. Applicability.

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

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

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

(d) This Act 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 the United States, or any foreign bank maintaining a branch or agency licensed or organized under the laws of any state of the United States, or any subsidiary or affiliate thereof.

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

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