

1 AN ACT concerning education.

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

4 Section 5. The University Credit and Retail Sales Act is
5 amended by changing Section 1 as follows:

6 (110 ILCS 115/1) (from Ch. 144, par. 252)

7 Sec. 1. Prohibition; exceptions.

8 (a) The governing board of a State institution of higher
9 learning may not permit or authorize a retail store carrying
10 any line of general merchandise to be operated by that
11 institution or to be operated on property held or leased for
12 the use of the institution when such an operation can
13 reasonably be expected to be in competition with private
14 retail merchants in the community, unless the goods sold by
15 that store are unavailable in quantities sufficient to meet
16 the reasonably expected student demand, are unavailable on a
17 year round basis or were commonly sold by the institution or on
18 such property before January 1, 1980. The governing board of a
19 State institution of higher learning also may not permit or
20 authorize any person to conduct a business of selling goods,
21 services, or a combination thereof to the general public on
22 property held or leased for the use of the institution when
23 such an operation can reasonably be expected to be in

1 competition with private retail merchants in the community
2 unless such merchants have the opportunity to compete for the
3 operation of such a business on such property. "Person" means
4 an individual, corporation, business trust, estate, trust,
5 partnership, association, cooperative, or any other legal
6 entity. This Act does not prohibit the sale by such an
7 institution or on such property of items commonly sold by such
8 institutions before January 1, 1980. "Commonly sold" means
9 exclusively those lines of products sold in the regular course
10 of business prior to January 1, 1980. This Act does not
11 prohibit the sale of goods which are the result of
12 technological advances since 1980 and are required for
13 assignments or classroom activities.

14 (b) The governing board of a State institution of higher
15 learning may not permit that institution, or a retail store
16 operated by that institution or operated on property held or
17 leased for the use of the institution, to make credit sales
18 when the credit extended is the credit of the retail store or
19 the institution itself. This subsection (b) does not prohibit
20 the retail store from making credit sales through an
21 independent credit organization not affiliated with the
22 institution or the retail store, such as by means of a bank or
23 other credit card or through the use of a debit card issued by
24 the institution or otherwise, so long as private retail
25 merchants in the community are afforded a reasonable
26 opportunity to participate in such debit card sales through

1 appropriate agreements with the institution. This subsection
2 (b) does not prohibit the sale on credit to students receiving
3 financial assistance by such an institution of textbooks,
4 food, beverages, or educational items required for use in
5 classroom activities, so long as private retail merchants in
6 the community are afforded a reasonable opportunity to
7 participate in such credit sales through appropriate
8 agreements with the institution. Notwithstanding any other
9 provision of this subsection, the governing body of a State
10 institution of higher learning may permit the institution, or
11 a retail store operated by the institution or operated on
12 property held or leased for the use of the institution, to
13 extend credit to students for the students' purchase of course
14 materials.

15 (Source: P.A. 89-407, eff. 7-1-96.)

16 Section 99. Effective date. This Act takes effect upon
17 becoming law.