



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

HB2525

Introduced 2/18/2005, by Rep. Angelo Saviano

SYNOPSIS AS INTRODUCED:

815 ILCS 645/2	from Ch. 29, par. 52
815 ILCS 645/6	from Ch. 29, par. 56
815 ILCS 645/8	from Ch. 29, par. 58

Amends the Physical Fitness Services Act. Provides that in the event of the relocation of a customer's residence and under specified conditions of his or her relocation, the customer may cancel his or her contract for physical fitness services and shall be liable for only that portion of the charges allocable to the time before reasonable evidence of such relocation is presented to the center, plus a reasonable fee if so provided in the contract, but such fee shall not exceed 50% (instead of 10%) of the unused balance, or \$150 (instead of \$50), whichever is less. Provides that a contract for "personal training services" is not subject to annual fee limits when purchased by a business entity or a fraternal or charitable organization. Effective immediately.

LRB094 08711 RXD 38923 b

1 AN ACT concerning business.

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

4 Section 5. The Physical Fitness Services Act is amended by
5 changing Sections 2, 6, and 8 as follows:

6 (815 ILCS 645/2) (from Ch. 29, par. 52)

7 Sec. 2. Definitions. (a) "Physical fitness center" or
8 "center" means any person or business entity offering physical
9 fitness services to the public.

10 (b) "Physical fitness services" or "services" includes
11 instruction, training or assistance in physical culture,
12 bodybuilding, exercising, weight reducing, figure development,
13 judo, karate, self-defense training, or any similar activity;
14 use of the facilities of a physical fitness center for any of
15 the above activities; or membership in any group formed by a
16 physical fitness center for any of the above purposes.

17 (c) "Personal training services" means services performed
18 for a fee by a personal trainer or fitness instructor for
19 individuals or groups relating to developing, monitoring or
20 supervising physical training, exercise or fitness programs,
21 education and instruction regarding the use of exercise
22 equipment or techniques, or rendering advice relating to any of
23 the aforementioned subjects or related issues such as diet.

24 (Source: P.A. 84-850.)

25 (815 ILCS 645/6) (from Ch. 29, par. 56)

26 Sec. 6. Contract requirements: cancellation and refund.
27 (a) Every contract for physical fitness services shall provide
28 that: (1) the contract may be cancelled by the customer within
29 3 business days after the first business day after the contract
30 is signed by the customer, and that all monies paid pursuant to
31 said contract shall be refunded to the customer. For the

1 purposes of this Section, business day shall mean any day on
2 which the facility is open for business. A customer purchasing
3 a plan at a facility which has not yet opened for business at
4 the time the contract is signed, or who does not purchase a
5 contract at an existing facility, shall have seven calendar
6 days in which to cancel the contract and receive a full refund
7 of all monies paid. The customer's rights to cancel described
8 herein are in addition to any other contract rights or remedies
9 provided by law; (2) in the event of the relocation of a
10 customer's residence to farther than 25 miles from the center's
11 facilities, and upon the failure of the original center to
12 designate a center, with comparable facilities and services
13 within 25 miles of the customer's new residence, which agrees
14 to accept the original center's obligations under the contract,
15 the customer may cancel the contract and shall be liable for
16 only that portion of the charges allocable to the time before
17 reasonable evidence of such relocation is presented to the
18 center, plus a reasonable fee if so provided in the contract,
19 but such fee shall not exceed 50% ~~10%~~ of the unused balance, or
20 \$150 ~~\$50~~, whichever is less; and (3) if the customer, because
21 of death or disability, is unable to use or receive all
22 services contracted for, the customer, or his estate as the
23 case may be, shall be liable for only that portion of the
24 charges allocable to the time prior to death or the onset of
25 disability. The center shall in such event have the right to
26 require and verify reasonable evidence of such death or
27 disability.

28 (b) Every contract for physical fitness services shall
29 provide that notice of cancellation pursuant to subsection (a)
30 of this Section shall be made in writing and delivered by
31 certified or registered mail to the center at the address
32 specified in the contract. All refunds to which a customer or
33 his estate is entitled shall be made within 30 days of receipt
34 by the center of the cancellation notice.

35 (Source: P.A. 84-850.)

1 (815 ILCS 645/8) (from Ch. 29, par. 58)

2 Sec. 8. Prohibited contract provisions. (a) No contract for
3 physical fitness services shall require payment of a total
4 amount in excess of \$2500 per year, and every such contract
5 must so provide in writing; except that this limit shall not
6 apply to any contract for: (1) personal training services, or
7 (2) group membership, other than family membership, where the
8 purchaser is a corporation or other business entity or any
9 social, fraternal or charitable organization not created for
10 the purpose of encouraging this contractual arrangement.

11 (b) No contract for physical fitness services shall require
12 payments or financing over a period in excess of 3 years from
13 the date the contract is entered into, nor shall the term of
14 any such contract be measured by the life of the customer. The
15 initial term of services to be rendered under the contract may
16 not extend over a period of more than 2 years from the date the
17 parties enter into the contract; provided that the customer may
18 be given an option to renew the contract for consecutive
19 periods of not more than one year each for a reasonable
20 consideration not less than 10% of the cash price of the
21 original membership.

22 (c) No contract for physical fitness services shall require
23 or entail the execution of any note by the customer which, when
24 separately negotiated, will cut off as to third parties any
25 right of action or defense which the customer may have against
26 the physical fitness center. No right of action or defense
27 arising out of a contract for physical fitness services which
28 the customer has against the center shall be cut off by
29 assignment of the contract whether or not the assignee acquires
30 the contract in good faith and for value. Such an assignee is
31 not a holder in due course.

32 (Source: P.A. 84-1463.)

33 Section 99. Effective date. This Act takes effect upon
34 becoming law.