## 95TH GENERAL ASSEMBLY

# State of Illinois

# 2007 and 2008

## HB1958

Introduced 2/23/2007, by Rep. Susana A Mendoza

## SYNOPSIS AS INTRODUCED:

815 ILCS 505/2ZZ new

Amends the Consumer Fraud and Deceptive Business Practices Act. Provides that the new provisions may be cited as the Cell Phone Lemon Law. Provides that if, within the period of a contract for wireless telephone service, a wireless telephone sold in conjunction with a contract for wireless telephone service requires repair or replacement on 3 or more occasions, the consumer may, in lieu of having the telephone repaired or replaced on the third or subsequent occasion: choose to cancel the contract for wireless telephone service without paying any early termination fee, penalty, or charge; or elect to upgrade or downgrade the telephone in accordance with specified provisions. Provides that if, within the period of a contract for wireless telephone service, the wireless telephone sold in conjunction with a contract for wireless telephone service requires repair or replacement that results in the telephone being unavailable to the consumer for one day or more, or the consumer does not have full access to all of the contracted services for one day or more, the wireless telephone service provider shall pay the consumer \$25 for each day the telephone is unavailable to the consumer or each day the consumer does not have full access to all of the contracted services. Requires a wireless telephone service provider to give a consumer a written statement of the consumer's rights. Provides that any repair to or replacement of a phone that was damaged or failed to work properly as a result of some action by the consumer is not covered by the listed Section. Makes violation of the new provisions an unlawful practice within the meaning of the Act.

LRB095 07348 LCT 31972 b

1 AN ACT concerning business.

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

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

(815 ILCS 505/2ZZ new) 6 7 Sec. 2ZZ. Wireless telephones and contracts. (a) This Section may be cited as the Cell Phone Lemon Law. 8 9 (b) As used in this Section: "Wireless telephone" means a telephone that operates 10 without a physical wireline connection to the provider's 11 equipment. The term includes, but is not limited to, cellular 12 13 and mobile telephones. 14 "Wireless telephone service provider" includes a wireless telephone service provider and its dealers, distributors, and 15 16 agents. 17 (c) This Section applies to any retail sale of a new wireless telephone on or the effective date of this amendatory 18

Act of the 95th General Assembly to a consumer in this State by a wireless telephone service provider in conjunction with a contract for wireless telephone service.

22 <u>(d) If, within the period of a contract for wireless</u> 23 <u>telephone service, the wireless telephone sold in conjunction</u>

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| 1  | with a contract for wireless telephone service requires repair  |
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| 2  | or replacement on 3 or more occasions, the consumer may, in     |
| 3  | lieu of having the telephone repaired or replaced on the third  |
|    |   |
| 4  | or subsequent occasion, choose either of the following options: |
| 5  | (1) The consumer may choose to cancel the contract for          |
| 6  | wireless telephone service without paying any early             |
| 7  | termination fee, penalty, or charge.                            |
| 8  | (2) The consumer may elect to upgrade or downgrade his          |
| 9  | or her telephone. If the consumer chooses to upgrade his or     |
| 10 | her telephone, then the consumer shall pay the difference       |
| 11 | between the price of his or her current telephone and the       |
| 12 | "best promotional price" of the telephone to which he or        |
| 13 | she is upgrading. If the consumer chooses to downgrade his      |
| 14 | or her telephone, then the consumer shall receive a credit      |
| 15 | for the difference between the price of his or her current      |
| 16 | telephone and the "best promotional price" of the telephone     |
| 17 | to which he or she is downgrading. If the consumer chooses      |
| 18 | the option of downgrading or upgrading his or her               |
| 19 | telephone, the consumer must be allowed to do so without        |
| 20 | the action automatically renewing his or her contract for       |
| 21 | wireless telephone service or extending it. The consumer        |
| 22 | must be allowed to change his or her telephone and continue     |
| 23 | with his or her current contract.                               |
| 24 | (e) If, within the period of a contract for wireless            |
| 25 | telephone service, the wireless telephone sold in conjunction   |
| 26 | with a contract for wireless telephone service requires repair  |

| 1  | or replacement that results in the telephone being unavailable  |
|----|---|
| 2  | to the consumer for one day or more or the consumer does not    |
| 3  | have full access to all of the contracted services for one day  |
| 4  | or more, the wireless telephone service provider shall pay the  |
| 5  | consumer \$25 for each day during which the telephone is        |
| 6  | unavailable to the consumer or each day during which the        |
| 7  | consumer does not have full access to all of the contracted     |
| 8  | services.   |
| 9  | (f) The wireless telephone service provider shall give a        |
| 10 | consumer a written statement of the consumer's rights under     |
| 11 | this Section when a sale is made to which this Section applies. |
| 12 | (g) This Section does not apply to any repair to or             |
| 13 | replacement of a phone that was damaged or failed to work       |
| 14 | properly as a result of some action by the consumer.            |
| 15 | (h) A person who violates this Section commits an unlawful      |
| 16 | practice within the meaning of this Act.                        |