

AN ACT concerning education.

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

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

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

Sec. 1. Prohibition; exceptions.

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

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

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

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

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

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