

AN ACT concerning military personnel.

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

Section 5. The Illinois Municipal Code is amended by changing Section 11-117-12.2 as follows:

(65 ILCS 5/11-117-12.2)

Sec. 11-117-12.2. Military personnel on active duty; no stoppage of gas or electricity; arrearage.

(a) In this Section:

"Active duty" means active duty pursuant to an executive order of the President of the United States, an act of the Congress of the United States, or an order of the Governor.

"Service member" means a member of the armed services or reserve forces of the United States or a member of the Illinois National Guard.

(b) No municipality owning a public utility shall stop gas or electricity from entering the residential premises of which a service member was a primary occupant immediately before the service member was deployed on active duty for nonpayment for gas or electricity supplied to the residential premises.

(c) Upon the return from active duty of a residential consumer who is a service member, the municipality shall offer the residential consumer a period equal to at least the period of the residential consumer's deployment on active duty to pay any arrearages incurred during the period of the residential consumer's deployment. The municipality shall inform the residential consumer that, if the period the municipality offers presents a hardship to the consumer, the consumer may request a longer period to pay the arrearages.

(d) In order to be eligible for the benefits granted to service members under this Section, a service member must provide the municipality with a copy of the military or

gubernatorial orders calling the service member to active duty and of any orders further extending the service member's period of active duty.

(e) In addition to any other penalty that may be provided by law, a municipality that wilfully violates this Section is subject to a civil penalty of \$1,000. The Attorney General may impose a civil penalty under this subsection only after he or she provides the following to the affected municipality:

(1) Written notice of the alleged violation.

(2) Written notice of the municipality's right to request an administrative hearing on the question of the alleged violation.

(3) An opportunity to present evidence, orally or in writing or both, on the question of the alleged violation before an impartial hearing examiner appointed by the Attorney General.

(4) A written decision from the Attorney General, based on the evidence introduced at the hearing and the hearing examiner's recommendations, finding that the municipality violated this Section and imposing the civil penalty.

The Attorney General may bring an action in the circuit court to enforce the collection of a civil penalty imposed under this subsection.

All proceeds from the collection of any civil penalty imposed under this subsection shall be deposited into the Illinois Military Family Relief Fund.

(Source: P.A. 94-635, eff. 8-22-05.)

Section 10. The Illinois Insurance Code is amended by changing Section 224.05 as follows:

(215 ILCS 5/224.05)

Sec. 224.05. Military personnel on active duty; no lapse of life insurance policy.

(a) Except as provided in subsection (b), this Section shall apply to any individual life insurance policy insuring

the life of a member of the armed services or reserve forces of the United States or a member of the Illinois National Guard who is on active duty pursuant to an executive order of the President of the United States, an act of the Congress of the United States, or an order of the Governor, if the life insurance policy meets both of the following conditions:

(1) The policy has been in force for at least 180 days.

(2) The policy has been brought within the "Servicemembers Civil Relief Act," 117 Stat. 2835 (2003), 50 U.S.C. App. 541 and following.

(b) This Section does not apply to any policy that was cancelled or that had lapsed for the nonpayment of premiums prior to the commencement of the insured's period of military service.

(c) An individual life insurance policy described in this Section shall not lapse or be forfeited for the nonpayment of premiums during the military service of a member of the armed services or reserve forces of the United States or a member of the Illinois National Guard or during the 2-year period subsequent to the end of the member's period of military service.

(d) In order to be eligible for the benefits granted to service members under this Section, a service member must provide the life insurance company with a copy of the military or gubernatorial orders calling the service member to active duty and of any orders further extending the service member's period of active duty.

(e) This Section does not limit a life insurance company's enforcement of provisions in the insured's policy relating to naval or military service in time of war.

(f) In addition to any other penalty that may be provided by law, an insurance company that violates this Section is subject to a civil penalty of \$1,000. The Attorney General may impose a civil penalty under this subsection only after he or she provides the following to the affected insurance company:

(1) Written notice of the alleged violation.

(2) Written notice of the insurance company's right to request an administrative hearing on the question of the alleged violation.

(3) An opportunity to present evidence, orally or in writing or both, on the question of the alleged violation before an impartial hearing examiner appointed by the Attorney General.

(4) A written decision from the Attorney General, based on the evidence introduced at the hearing and the hearing examiner's recommendations, finding that the insurance company violated this Section and imposing the civil penalty.

The Attorney General may bring an action in the circuit court to enforce the collection of a civil penalty imposed under this subsection.

All proceeds from the collection of any civil penalty imposed under this subsection shall be deposited into the Illinois Military Family Relief Fund.

(Source: P.A. 94-635, eff. 8-22-05.)

Section 15. The Public Utilities Act is amended by changing Section 8-201.5 as follows:

(220 ILCS 5/8-201.5)

Sec. 8-201.5. Military personnel on active duty; no stoppage of gas or electricity; arrearage.

(a) In this Section:

"Active duty" means active duty pursuant to an executive order of the President of the United States, an act of the Congress of the United States, or an order of the Governor.

"Service member" means a member of the armed services or reserve forces of the United States or a member of the Illinois National Guard.

(b) No company or electric cooperative shall stop gas or electricity from entering the residential premises of which a service member was a primary occupant immediately before the

service member was deployed on active duty for nonpayment for gas or electricity supplied to the residential premises.

(c) In order to be eligible for the benefits granted to service members under this Section, a service member must provide the company or electric cooperative with a copy of the military or gubernatorial orders calling the service member to active duty and of any orders further extending the service member's period of active duty.

(d) Upon the return from active duty of a residential consumer who is a service member, the company or electric cooperative shall offer the residential consumer a period equal to at least the period of deployment on active duty to pay any arrearages incurred during the period of the residential consumer's deployment. The company or electric cooperative shall inform the residential consumer that, if the period that the company or electric cooperative offers presents a hardship to the consumer, the consumer may request a longer period to pay the arrearages and, in the case of a company that is a public utility, may request the assistance of the Illinois Commerce Commission to obtain a longer period. No late payment fees or interest shall be charged to the residential consumer during the period of deployment or the repayment period.

(e) In addition to any other penalty that may be provided by law, a company or electric cooperative that wilfully violates this Section is subject to a civil penalty of \$1,000. The Attorney General may impose a civil penalty under this subsection only after he or she provides the following to the affected company or electric cooperative:

(1) Written notice of the alleged violation.

(2) Written notice of the company or electric cooperative's right to request an administrative hearing on the question of the alleged violation.

(3) An opportunity to present evidence, orally or in writing or both, on the question of the alleged violation before an impartial hearing examiner appointed by the Attorney General.

(4) A written decision from the Attorney General, based on the evidence introduced at the hearing and the hearing examiner's recommendations, finding that the company or electric cooperative violated this Section and imposing the civil penalty.

The Attorney General may bring an action in the circuit court to enforce the collection of a civil penalty imposed under this subsection.

All proceeds from the collection of any civil penalty imposed under this subsection shall be deposited into the Illinois Military Family Relief Fund.

(Source: P.A. 94-635, eff. 8-22-05.)

Section 20. The Interest Act is amended by changing Section 4.05 as follows:

(815 ILCS 205/4.05)

Sec. 4.05. Military personnel on active duty; limitation on interest rate.

(a) In this Section:

"Active duty" means active duty pursuant to an executive order of the President of the United States, an act of the Congress of the United States, or an order of the Governor.

"Obligation" means any retail installment sales contract, other contract for the purchase of goods or services, or bond, bill, note, or other instrument of writing for the payment of money arising out of a contract or other transaction for the purchase of goods or services.

"Service member" means a member of the armed services or reserve forces of the United States or a member of the Illinois National Guard.

(b) Notwithstanding any contrary provision of State law, but subject to the federal Servicemembers Civil Relief Act, no creditor in connection with an obligation entered into on or after the effective date of this amendatory Act of the 94th General Assembly, but prior to a service member's deployment on

active duty, shall charge or collect from a service member who is deployed on active duty, or the spouse of that service member, interest or finance charges exceeding 6% per annum during the period that the service member is deployed on active duty.

(c) Notwithstanding any contrary provision of law, interest or finance charges in excess of 6% per annum that otherwise would be incurred but for the prohibition in subsection (b) are forgiven.

(d) The amount of any periodic payment due from a service member who is deployed on active duty, or the spouse of that service member, under the terms of the obligation shall be reduced by the amount of the interest and finance charges forgiven under subsection (c) that is allocable to the period for which the periodic payment is made.

(e) In order for an obligation to be subject to the interest and finance charges limitation of this Section, the service member deployed on active duty, or the spouse of that service member, shall provide the creditor with written notice of and a copy of the military or gubernatorial orders calling the service member to active duty and of any orders further extending the service member's period of active duty, not later than 180 days after the date of the service member's termination of or release from active duty.

(f) Upon receipt of the written notice and a copy of the orders referred to in subsection (e), the creditor shall treat the obligation in accordance with subsection (b), effective as of the date on which the service member is deployed to active duty.

(g) A court may grant a creditor relief from the interest and finance charges limitation of this Section, if, in the opinion of the court, the ability of the service member deployed on active duty, or the spouse of that service member, to pay interest or finance charges with respect to the obligation at a rate in excess of 6% per annum is not materially affected by reason of the service member's

deployment on active duty.

(h) In addition to any other penalty that may be provided by law, a creditor that violates this Section is subject to a civil penalty of \$1,000. The Attorney General may impose a civil penalty under this subsection only after he or she provides the following to the affected creditor:

(1) Written notice of the alleged violation.

(2) Written notice of the creditor's right to request an administrative hearing on the question of the alleged violation.

(3) An opportunity to present evidence, orally or in writing or both, on the question of the alleged violation before an impartial hearing examiner appointed by the Attorney General.

(4) A written decision from the Attorney General, based on the evidence introduced at the hearing and the hearing examiner's recommendations, finding that the creditor violated this Section and imposing the civil penalty.

The Attorney General may bring an action in the circuit court to enforce the collection of a civil penalty imposed under this subsection.

All proceeds from the collection of any civil penalty imposed under this subsection shall be deposited into the Illinois Military Family Relief Fund.

(Source: P.A. 94-635, eff. 8-22-05.)

Section 25. The Military Personnel Cellular Phone Contract Termination Act is amended by adding Section 20 as follows:

(815 ILCS 633/20 new)

Sec. 20. Cellular telephone company's failure to comply; penalty. In addition to any other penalty that may be provided by law, a cellular telephone company that violates this Act is subject to a civil penalty of \$1,000. The Attorney General may impose a civil penalty under this Section only after he or she provides the following to the affected cellular telephone

company:

(1) Written notice of the alleged violation.

(2) Written notice of the cellular telephone company's right to request an administrative hearing on the question of the alleged violation.

(3) An opportunity to present evidence, orally or in writing or both, on the question of the alleged violation before an impartial hearing examiner appointed by the Attorney General.

(4) A written decision from the Attorney General, based on the evidence introduced at the hearing and the hearing examiner's recommendations, finding that the cellular telephone company violated this Act and imposing the civil penalty.

The Attorney General may bring an action in the circuit court to enforce the collection of a civil penalty imposed under this Section.

All proceeds from the collection of any civil penalty imposed under this Section shall be deposited into the Illinois Military Family Relief Fund.

Section 30. The Motor Vehicle Leasing Act is amended by changing Section 37 as follows:

(815 ILCS 636/37)

Sec. 37. Military personnel on active duty; termination of lease.

(a) In this Act:

"Active duty" means active duty pursuant to an executive order of the President of the United States, an act of the Congress of the United States, or an order of the Governor.

"Motor vehicle" means any automobile, car minivan, passenger van, sport utility vehicle, pickup truck, or other self-propelled vehicle not operated or driven on fixed rails or track.

"Service member" means a member of the armed services or

reserve forces of the United States or a member of the Illinois National Guard.

(b) Any service member who is deployed on active duty for a period of not less than 180 days, or the spouse of that service member, may terminate any motor vehicle lease that meets both of the following requirements:

(1) The lease is entered into on or after the effective date of this amendatory Act of the 94th General Assembly.

(2) The lease is executed by or on behalf of the service member who is deployed on active duty.

(c) Termination of the motor vehicle lease shall not be effective until:

(1) the service member who is deployed on active duty, or the service member's spouse, gives the lessor by certified mail, return receipt requested, a notice of the intention to terminate the lease together with a copy of the military or gubernatorial orders calling the service member to active duty and of any orders further extending the service member's period of active duty; and

(2) the motor vehicle subject to the lease is returned to the custody or control of the lessor not later than 15 days after the delivery of the written notice.

(d) Lease amounts unpaid for the period preceding the effective date of the lease's termination shall be paid on a prorated basis. The lessor may not impose an early termination charge, but any taxes, costs of summons, and title or registration fees and any other obligation and liability of the lessee under the terms of the lease, including reasonable charges to the lessee for excess wear, use, and mileage, that are due and unpaid at the time of the lease's termination shall be paid by the lessee.

(e) The lessor shall refund to the lessee lease amounts paid in advance for a period after the effective date of the lease's termination within 30 days after the effective date of the lease's termination.

(f) Upon application by the lessor to a court before the

effective date of the lease's termination, relief granted by this Section may be modified as justice and equity require.

(g) In addition to any other penalty that may be provided by law, a lessor that violates this Section is subject to a civil penalty of \$1,000. The Attorney General may impose a civil penalty under this subsection only after he or she provides the following to the affected lessor:

(1) Written notice of the alleged violation.

(2) Written notice of the lessor's right to request an administrative hearing on the question of the alleged violation.

(3) An opportunity to present evidence, orally or in writing or both, on the question of the alleged violation before an impartial hearing examiner appointed by the Attorney General.

(4) A written decision from the Attorney General, based on the evidence introduced at the hearing and the hearing examiner's recommendations, finding that the lessor violated this Section and imposing the civil penalty.

The Attorney General may bring an action in the circuit court to enforce the collection of a civil penalty imposed under this subsection.

All proceeds from the collection of any civil penalty imposed under this subsection shall be deposited into the Illinois Military Family Relief Fund.

(Source: P.A. 94-635, eff. 8-22-05.)

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