



Adopted in House on Apr 02, 2004

09300HB5875ham002

LRB093 19957 RXD 49308 a

1 AMENDMENT TO HOUSE BILL 5875

2 AMENDMENT NO. _____. Amend House Bill 5875, AS AMENDED, by
3 replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Physical Fitness Services Act is amended by
6 changing Section 8 as follows:

7 (815 ILCS 645/8) (from Ch. 29, par. 58)

8 Sec. 8. Prohibited contract provisions. (a) (Blank). ~~No~~
9 ~~contract for physical fitness services shall require payment of~~
10 ~~a total amount in excess of \$2500 per year, and every such~~
11 ~~contract must so provide in writing; except that this limit~~
12 ~~shall not apply to any contract for group membership, other~~
13 ~~than family membership, where the purchaser is a corporation or~~
14 ~~other business entity or any social, fraternal or charitable~~
15 ~~organization not created for the purpose of encouraging this~~
16 ~~contractual arrangement.~~

17 (b) No contract for physical fitness services shall require
18 payments or financing over a period in excess of 3 years from
19 the date the contract is entered into, nor shall the term of
20 any such contract be measured by the life of the customer. The
21 initial term of services to be rendered under the contract may
22 not extend over a period of more than 2 years from the date the
23 parties enter into the contract; provided that the customer may
24 be given an option to renew the contract for consecutive

1 periods of not more than one year each for a reasonable
2 consideration not less than 10% of the cash price of the
3 original membership.

4 (c) No contract for physical fitness services shall require
5 or entail the execution of any note by the customer which, when
6 separately negotiated, will cut off as to third parties any
7 right of action or defense which the customer may have against
8 the physical fitness center. No right of action or defense
9 arising out of a contract for physical fitness services which
10 the customer has against the center shall be cut off by
11 assignment of the contract whether or not the assignee acquires
12 the contract in good faith and for value. Such an assignee is
13 not a holder in due course.

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

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