



Sen. Michael E. Hastings

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10400SB3562sam001

LRB104 20056 SPS 36701 a

1 AMENDMENT TO SENATE BILL 3562

2 AMENDMENT NO. _____. Amend Senate Bill 3562 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Automatic Contract Renewal Act is amended
5 by changing Sections 10 and 20 as follows:

6 (815 ILCS 601/10)

7 Sec. 10. Automatic renewal; requirements.

8 (a) Any person, firm, partnership, association, or
9 corporation that sells or offers to sell any products or
10 services to a consumer pursuant to a contract, where such
11 contract automatically renews unless the consumer cancels the
12 contract, shall:

13 (i) disclose the automatic renewal offer terms clearly
14 and conspicuously in the contract before the subscription
15 or purchasing agreement is fulfilled and in visual
16 proximity, or in the case of an offer conveyed by voice, in

1 temporal proximity, to the request for consent to the
2 offer;

3 (ii) not charge the consumer's credit or debit card or
4 other payment mechanism for an automatic renewal service
5 without first obtaining the consumer's consent to the
6 contract containing the automatic renewal offer terms;

7 (iii) provide an acknowledgment that includes the
8 automatic renewal offer terms, cancellation policy, and
9 information regarding how to cancel, which may be
10 accomplished by linking to a resource that provides
11 instructions that account for different platforms and
12 services, in a manner that is capable of being retained by
13 the consumer; ~~and~~

14 (iv) if the offer includes a free gift or trial,
15 disclose how to cancel the contract, which may be
16 accomplished by linking to a resource that provides
17 instructions that account for different platforms and
18 services, and allow the consumer to cancel before the
19 consumer pays for the good or services; ~~and.~~

20 (v) provide the consumer with the option to cancel the
21 contract using a simple cancellation mechanism in the same
22 medium that the consumer used to consent to the contract
23 containing the automatic renewal offer terms or is
24 accustomed to interacting with the business.

25 An entity subject to this subsection shall provide a clear
26 and conspicuous notice, in a manner that may be retained by the

1 consumer, of any material change to the terms of the contract,
2 including any price increase, before the change takes effect.
3 The notice shall contain information concerning how to cancel
4 the contract. If the notice is sent electronically, the notice
5 shall include either a hyperlink that directs the consumer to
6 a webpage or other electronic or online medium, including, but
7 not limited to, a mobile application or account portal with
8 which the consumer has an existing account, containing the
9 cancellation process or another reasonably accessible
10 electronic method that directs the consumer to the
11 cancellation process if no webpage exists.

12 (a-5) Any person, firm, partnership, association, or
13 corporation that sells or offers to sell any products or
14 services to a consumer pursuant to a contract that includes a
15 free trial or a promotional period of a fixed duration of the
16 product or service that lasts 15 days or longer, where the end
17 date of the free trial or promotional period is determinable
18 at the time of enrollment, and where such contract
19 automatically renews unless the consumer cancels the contract,
20 shall notify the consumer during the free trial or the
21 promotional period no less than 3 days before the cancellation
22 deadline as described by the automatic renewal offer terms.
23 The person, firm, partnership, association, or corporation
24 shall send the notice in a method in which the consumer is
25 accustomed to interacting with the person, firm, partnership,
26 association, or corporation.

1 (b) Any person, firm, partnership, association, or
2 corporation that sells or offers to sell any products or
3 services to a consumer pursuant to a contract, where such
4 contract term is a specified term of 12 months or more, and
5 where such contract automatically renews for a specified term
6 of more than one month unless the consumer cancels the
7 contract, shall notify the consumer in writing of the
8 automatic renewal. Written notice shall be provided to the
9 consumer no less than 30 days and no more than 60 days before
10 the cancellation deadline pursuant to the automatic renewal
11 offer terms. Such written notice shall disclose clearly and
12 conspicuously, in a retainable form:

13 (i) that unless the consumer cancels the contract it
14 will automatically renew;

15 (ii) a mechanism for cancelling the contract, which
16 shall be offered in a manner in which the consumer
17 commonly interacts with the business; and

18 (iii) the deadline by which the consumer must cancel
19 in order to avoid being charged for a subsequent term.

20 (b-5) A person, firm, partnership, association, or
21 corporation that makes an automatic renewal offer or
22 continuous service offer ~~online~~ shall provide the consumer
23 with the ability to cancel or terminate the automatic renewal
24 or continuous service, using a simple, easy-to-use
25 cancellation mechanism, which shall be available in:

26 (1) the same medium that the consumer used to consent

1 to the offer and resulted in the activation of the
2 automatic renewal contract or continuous service; or

3 (2) the same medium in which the consumer is
4 accustomed to interacting with the business, including,
5 but not limited to, in person or by a toll-free telephone
6 number, electronic mail address, website, mobile
7 application, customer account portal, or a postal address
8 if the seller directly bills the consumer, ~~or another~~
9 ~~cost-effective, timely, and easy-to-use mechanism for~~
10 ~~cancellation that shall be described in the notice~~
11 ~~required in subsection (b).~~

12 (b-10) Notwithstanding the provisions of subsection (b-5),
13 a ~~A~~ consumer who accepts an automatic renewal or continuous
14 service offer online must be allowed to terminate the
15 automatic renewal or continuous service exclusively online and
16 in a way that is straightforward and without taking steps that
17 are not reasonably related or necessary to complete the
18 cancellation. This method of cancellation, ~~which~~ may include a
19 termination email formatted and provided by the business that
20 a consumer can send to the business without additional
21 information, ~~or~~ a link to a website, a mobile application or
22 account portal with which the consumer has an existing
23 account, or other online service consumers can use to cancel.

24 (b-15) Nothing in this Act shall prevent a business from
25 presenting to a consumer, during the cancellation process, any
26 other discount, retention benefit, or other information

1 related to the cancellation if the consumer is clearly
2 informed that cancellation may be completed at any time during
3 this process and a direct cancellation mechanism remains
4 prominently available, if applicable.

5 An entity may require a consumer to enter account
6 information or digitally authenticate the consumer's identity
7 before terminating the contract online if the consumer has an
8 account with the business. A consumer who is unwilling or
9 unable to enter account information or digitally authenticate
10 the consumer's identity before termination of the contract
11 online shall not be prevented from terminating the contract
12 offline using another method.

13 (b-20) An entity subject to the provisions of subsection
14 (b-5) or (b-10) is in compliance with those subsections if the
15 entity provides:

16 (1) a hyperlink to an online cancellation process
17 through a website or other online medium, including, but
18 not limited to, a mobile application or account portal
19 with which the consumer has an existing account, or
20 through an electronic communication; or

21 (2) one of the following means if the consumer
22 consented to the automatic renewal contract offer through
23 means other than online:

24 (A) a physical location where the consumer
25 regularly uses any goods or services that are subject
26 to the automatic renewal contract and where the

1 consumer may cancel the contract;

2 (B) a toll-free telephone number at which the
3 consumer may cancel the contract; or

4 (C) a simple and easy-to-use electronic
5 cancellation method.

6 (b-25) Any person, firm, partnership, association, or
7 corporation that sells or offers to sell any products or
8 services to a consumer pursuant to a contract, where such
9 contract automatically renews unless the consumer terminates
10 the contract, shall notify a consumer of any increase in the
11 price of the contract before billing or charging the consumer
12 or the consumer's account at the higher price in accordance
13 with the following:

14 (1) for a contract with a renewal term of one month or
15 less, notice shall be provided at least 3 days prior to the
16 billing or charging of the consumer or the consumer's
17 account at the higher price; or

18 (2) for a contract with a renewal term of 6 months or
19 more, notice shall be provided at least 7 days prior to the
20 billing or charging of the consumer or the consumer's
21 account at the higher price.

22 The notice shall also contain information concerning how
23 the consumer may cancel the contract before the price increase
24 of the contract takes effect and the consumer is billed or
25 charged at the higher price.

26 (c) A person, firm, partnership, association, or

1 corporation will not be liable for a violation of this Act or
2 the Consumer Fraud and Deceptive Business Practices Act if
3 such person, firm, partnership, association, or corporation
4 demonstrates that, as part of its routine business practice:

5 (i) it has established and implemented written
6 procedures to comply with this Act and enforces compliance
7 with the procedures;

8 (ii) any failure to comply with this Act is the result
9 of error; and

10 (iii) where an error has caused a failure to comply
11 with this Act, it provides a full refund or credit for all
12 amounts billed to or paid by the consumer from the date of
13 the renewal until the date of the termination of the
14 account, or the date of the subsequent notice of renewal,
15 whichever occurs first.

16 (Source: P.A. 102-517, eff. 1-1-22; 103-70, eff. 1-1-24;
17 103-919, eff. 1-1-25.)

18 (815 ILCS 601/20)

19 Sec. 20. Applicability.

20 (a) This Act does not apply to a contract entered into
21 before the effective date of this Act.

22 (b) This amendatory Act of the 93rd General Assembly does
23 not apply to a contract entered into before the effective date
24 of this amendatory Act of the 93rd General Assembly.

25 (c) This Act does not apply to business-to-business

1 contracts.

2 (d) This Act does not apply to banks, trust companies,
3 savings and loan associations, savings banks, or credit unions
4 licensed or organized under the laws of any state or the United
5 States, or any foreign bank maintaining a branch or agency
6 licensed or organized under the laws of any state of the United
7 States, or any subsidiary or affiliate thereof.

8 (e) This Act does not apply to a contract that is extended
9 beyond the original term of the contract as the result of the
10 consumer's initiation of a change in the original contract
11 terms.

12 (f) This Act does not apply to a contract for the sale of
13 any product or service by a provider, or an affiliate of the
14 provider, that is subject to Article XXII of the Public
15 Utilities Act or any service provided by a business, or an
16 affiliate of the business, that is licensed or regulated by
17 the Federal Communications Commission.

18 (g) This Act does not apply to a party, or an affiliate of
19 the party, regulated by the Director of the Department of
20 Insurance.

21 (Source: P.A. 103-70, eff. 1-1-24.)".