



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

HB4275

by Rep. Jaime M. Andrade, Jr.

SYNOPSIS AS INTRODUCED:

815 ILCS 645/8

from Ch. 29, par. 58

Amends the Physical Fitness Services Act. Provides that no contract for basic physical fitness services shall require payment of a total amount in excess of \$6,500 (rather than \$2500) per year, with certain exceptions; and that no contract for family or couple memberships for basic physical fitness services shall require payment in excess of \$6,500 (rather than \$2,500) per year per person covered under the membership. In a provision permitting a person to renew a contract for physical fitness services for consecutive periods of not more than one year each, removes the requirement that each renewal be for a reasonable consideration not less than 10% of the cash price of the original membership. Effective June 1, 2018.

LRB100 15336 KTG 32147 b

1 AN ACT concerning business.

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

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

6 (815 ILCS 645/8) (from Ch. 29, par. 58)

7 Sec. 8. Prohibited contract provisions.

8 (a) No contract for basic physical fitness services shall
9 require payment of a total amount in excess of \$6,500 ~~\$2500~~ per
10 year, and every such contract must so provide in writing;
11 except that this limit shall not apply to any contract for: (1)
12 family or couple memberships, or (2) group memberships, where
13 the purchaser is a corporation or other business entity or any
14 social, fraternal or charitable organization not created for
15 the purpose of encouraging this contractual arrangement.

16 (b) No contract for family or couple memberships for basic
17 physical fitness services shall require payment in excess of
18 \$6,500 ~~\$2,500~~ per year per person covered under the membership.

19 (c) No contract for physical fitness services shall require
20 payments or financing over a period in excess of 3 years from
21 the date the contract is entered into, nor shall the term of
22 any such contract be measured by the life of the customer. The
23 initial term of services to be rendered under the contract may

1 not extend over a period of more than 2 years from the date the
2 parties enter into the contract; provided that the customer may
3 be given an option to renew the contract for consecutive
4 periods of not more than one year each ~~for a reasonable~~
5 ~~consideration not less than 10% of the cash price of the~~
6 ~~original membership.~~

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

17 (Source: P.A. 94-663, eff. 1-1-06; 94-687, eff. 11-3-05.)

18 Section 99. Effective date. This Act takes effect June 1,
19 2018.