

ORDINANCE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. Section 2-25-090 of the Municipal Code of Chicago is hereby amended by inserting the language underscored, as follows:

2-25-090 Prohibited acts – Consumer fraud, unfair competition or deceptive practices – Duty to enforce.

(a) No person shall engage in any act of consumer fraud, unfair method of competition, or deceptive practice while conducting any trade or business in the City-city. Any conduct constituting an unlawful practice under the Illinois Consumer Fraud and Deceptive Business Practices Act, as now or hereafter amended, or constituting a violation of Section 2-25-095, Section 7-4-040, Section 7-4-060 or any section of this Code relating to business operations or consumer protection, shall be a violation of this section. In construing this section, consideration shall be given to court interpretations relating to the Illinois Consumer Fraud and Deceptive Business Practices Act, as amended. In construing this section, consideration shall also be given to the interpretations of the Federal Trade Commission and the federal courts relating to Section 5(a) of the Federal Trade Commission Act, 15 U.S.C.A., Section 45. Nothing in this section shall be construed as permitting the regulation of any business to the extent that such regulation is not permitted under the statutory or home rule powers of the City-city.

(Omitted text is unaffected by this ordinance)

SECTION 2. Chapter 2-25 of the Municipal Code of Chicago is hereby amended by inserting a new Section 2-25-095, as follows:

2-25-095 Prohibition on deceptive or excessive consumer fees.

(a) *Definitions.* For the purposes of this section:

(1) “Consumer” means an individual who seeks or acquires, by purchase or lease, any goods or services for personal, family, or household purposes.

(2) “Consumer contract” means an agreement between a consumer and any other person, whether or not such agreement is reduced to writing, for any goods or services for personal, family, or household purposes.

(b) *Deceptive or excessive consumer fees.* The following pricing methods, acts, and practices undertaken by any person while conducting any trade or business in the City are unlawful, and shall be considered an act of consumer fraud, unfair method of competition, or deceptive practice for the purposes of this chapter:

(1) Charging a fee or surcharge for the early termination of a consumer contract that is excessive or unreasonable; and

(2) Charging any fee or surcharge for or imposing any other conditions or requirements on the early termination of a consumer contract that was automatically renewed upon the expiration of the original contract.

(c) *Exceptions.* This section shall not apply to:

(1) Any taxes, duty, or custom levied by any local, state, federal or other governmental entity;

(2) Fees covering the cost of delivery of goods, the amount of which is based upon the delivery method selected by the purchaser, so long as the person discloses the amount of the delivery fees prior to accepting payment; or

(3) A method, act, or practice declared to be unlawful by this section if the person alleged to have employed or committed such method, act, or practice:

(A) Proves that such violation was not intentional and resulted from a bona fide error notwithstanding the use of reasonable procedures adopted to avoid any such error; and

(B) Upon notice, makes an appropriate refund of the resulting overcharge to the consumer or consumers harmed by the violation within 30 days of receipt of such notice.

(d) Nothing in this section shall be construed as permitting the regulation of any business to the extent that such regulation is not permitted under the statutory or home rule powers of the City.

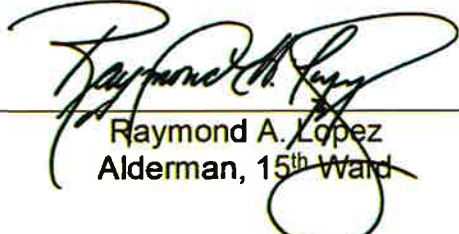
(e) Except as otherwise provided in this chapter, and in addition to any other penalty provided by law, any person who violates any of the requirements of this section shall be subject to a fine of not less than \$500.00 nor more than \$10,000.00 for each offense. Each day that a violation continues shall constitute a separate and distinct offense to which a separate fine shall apply.

(f) Violations of this section shall be considered a deceptive business practice, subject to the sanctions under Section 2-25-090.

(g) Any person aggrieved by any violation of this section, or any rule or regulation promulgated hereunder, may bring an action in an appropriate court against any person

subject to this section, for injunction against the violation or for such other or additional relief as may be appropriate to deter, prevent, or compensate for the violation. It is the express intention of the City Council that remedies for violation of this ordinance shall be cumulative.

SECTION 3. This ordinance shall take effect 10 days after passage and publication.



Raymond A. Lopez
Alderman, 15th Ward