

1 AN ACT concerning consumer contracts.

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

4 Section 1. Short title. This Act may be cited as the
5 Consumer Contract Plain Language Act.

6 Section 5. Definitions. As used in this Act, unless the
7 context clearly requires otherwise:

8 "Consumer" means an individual who, primarily for
9 personal, family, or household purposes, either: (i) gives or
10 promises to give money or other consideration in exchange for
11 an interest in services or real or personal property,
12 including money, or (ii) leases residential premises for a
13 term not exceeding 3 years.

14 "Consumer contract" means a written contract with a
15 consumer in which the price, excluding interest or finance
16 charges, is \$100,000 or less.

17 Section 10. Plain language required. Except as provided
18 in Section 15, every consumer contract made after the
19 effective date of this Act shall meet all of the following
20 criteria:

21 (1) The contract shall adequately inform the
22 consumer of the rights and duties fixed by the contract.

23 (2) The contract shall be sufficiently clear and
24 readable for the ordinary reader, using, so far as is
25 practical, words with common, everyday meanings.

26 (3) The contract shall be appropriately divided
27 into sections and paragraphs, and the sections shall
28 contain captions.

29 (4) The contract shall be printed in 10-point or
30 larger type, with at least one point of leading between

1 lines, and in ink that contrasts sufficiently with the
2 paper.

3 Section 15. Exceptions. This Act does not prohibit the
4 use of the following in consumer contracts:

5 (1) Words or phrases, or forms of agreement,
6 required by State or federal law or by rule or regulation
7 of a State or federal governmental instrumentality.

8 (2) Technical terms used to describe a service or
9 property that is the subject of the contract if (i) those
10 terms are customarily used by consumers in connection
11 with the service or property or (ii) there is no
12 sufficiently clear and readable substitute for those
13 terms.

14 Section 20. Violation.

15 (a) A violation of Section 10 does not render a consumer
16 contract void or voidable, nor does it constitute a defense
17 to an action or proceeding for breach of the contract or to
18 enforce the contract.

19 (b) If the Attorney General has reason to believe that a
20 business entity is using or has used a consumer contract that
21 violates Section 10 and determines that an action under this
22 subsection would be in the public interest, the Attorney
23 General may bring an action, in the name of the People of the
24 State of Illinois, against that business entity to restrain
25 the use of that consumer contract.