



Sen. Michael Noland

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1 AMENDMENT TO SENATE BILL 1029

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 1029 by replacing  
3 the title with the following:

4 "AN ACT concerning consumer contracts."; and

5 by replacing everything after the enacting clause with the  
6 following:

7 "Section 1. Short title. This Act may be cited as the  
8 Consumer Contract Plain Language Act.

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

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

1 exceeding 3 years.

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

5 Section 10. Plain language required. Except as provided in  
6 Section 15, every consumer contract made with an alternative  
7 gas supplier after the effective date of this Act shall meet  
8 all of the following criteria:

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

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

14 (3) The contract shall be appropriately divided into  
15 sections and paragraphs, and the sections shall contain  
16 captions.

17 (4) The contract shall be printed in a clear and  
18 conspicuous manner, as defined in the Uniform Commercial  
19 Code.

20 Section 15. Exceptions.

21 (a) This Act does not prohibit the use of the following in  
22 consumer contracts with alternative gas suppliers:

23 (1) Words or phrases, or forms of agreement, required  
24 by State or federal law or by rule or regulation of a State

1 or federal governmental instrumentality.

2 (2) Technical terms used to describe a service or  
3 property that is the subject of the contract if (i) those  
4 terms are customarily used by consumers in connection with  
5 the service or property or (ii) there is no sufficiently  
6 clear and readable substitute for those terms.

7 (b) Other than the provisions delineated in subsection (c)  
8 of this Section, this Act does not apply in any manner to:

9 (1) a State bank or national bank, as those terms are  
10 defined in the Illinois Banking Act, or any subsidiary of a  
11 State bank or national bank;

12 (2) a bank holding company, as that term is defined in  
13 the Illinois Bank Holding Company Act of 1957, or any  
14 subsidiary of a bank holding company;

15 (3) a foreign banking corporation, its subsidiary, or  
16 its representative office, as those terms are defined in  
17 the Foreign Banking Office Act, provided that such  
18 subsidiaries and representative offices are engaged in the  
19 provision of banking services to Illinois consumers;

20 (4) a corporate fiduciary, as that term is defined in  
21 the Corporate Fiduciary Act, or any subsidiary of a  
22 corporate fiduciary that also meets the definition of  
23 corporate fiduciary outlined in the Corporate Fiduciary  
24 Act;

25 (5) a savings bank organized under the Savings Bank  
26 Act, or a federal savings bank organized under federal law,

1 or any subsidiary of a savings bank or federal savings  
2 bank;

3 (6) a savings bank holding company organized under the  
4 Savings Bank Act, or any subsidiary of a savings bank  
5 holding company;

6 (7) an association or federal association, as those  
7 terms are defined in the Illinois Savings and Loan Act of  
8 1985, or any subsidiary of an association or federal  
9 association;

10 (8) a foreign savings and loan association or foreign  
11 savings bank subject to the Illinois Savings and Loan Act  
12 of 1985, or any subsidiary of a foreign savings and loan  
13 association or foreign savings bank;

14 (9) a savings and loan association holding company, as  
15 that term is defined in the Illinois Savings and Loan Act  
16 of 1985, or any subsidiary of a savings and loan  
17 association holding company; or

18 (10) a credit union, as that term is defined in the  
19 Illinois Credit Union Act, or any subsidiary of a credit  
20 union.

21 (c) Notwithstanding any other law, rule, or regulation, no  
22 retail store that in any manner associates with any entity  
23 referenced in subsection (b) of this Section to provide  
24 financing to customers of the retail outlets is exempt from any  
25 applicable requirement of the Act. Nothing in this Section  
26 shall be construed to exempt any entity other than those

1 specifically delineated in subsection (b) of this Section from  
2 adhering to the requirements of this Section.

3 Section 20. Violation.

4 (a) A violation of Section 10 does not render a consumer  
5 contract with an alternative gas supplier void or voidable, nor  
6 does it constitute a defense to an action or proceeding for  
7 breach of the contract or to enforce the contract.

8 (b) If the Attorney General has reason to believe that a  
9 business entity is using or has used a consumer contract that  
10 violates Section 10 and determines that an action under this  
11 subsection would be in the public interest, the Attorney  
12 General may bring an action, in the name of the People of the  
13 State of Illinois, against that business entity to restrain the  
14 use of that consumer contract.".