

1 AN ACT in relation to 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 Illinois Fair Bargain Act of 2001.

6 Section 5. Definitions. In this Act:

7 "Standard form contract or lease" means a contract or  
8 lease prepared in writing by a party for whom its use is  
9 routine in business transactions with consumers of goods or  
10 services, borrowers, tenants, or employees.

11 "Disabling civil dispute clause" means a provision  
12 modifying or limiting procedural rights necessary or useful  
13 to a consumer, borrower, tenant, or employee in the  
14 enforcement of substantive rights against a party drafting a  
15 standard form contract or lease, such as a clause requiring  
16 the consumer, borrower, tenant, or employee to:

17 (1) assert any claim against the party who prepared  
18 the form in a forum that is less convenient, more costly,  
19 or more dilatory than the Illinois courts for the  
20 resolution of the dispute; or

21 (2) assume a risk of liability for the legal fees  
22 of the party preparing the contract; however, a seller,  
23 lessor, or lender may exact from a buyer, tenant, or  
24 borrower an obligation to reimburse the seller or lender  
25 for a reasonable fee paid to secure enforcement of a  
26 promise to pay money; or

27 (3) forgo any rights provided to litigants in the  
28 State of Illinois; or

29 (4) present evidence to a purported neutral person  
30 who may reasonably be expected to regard the party  
31 preparing the contract as more likely to be a future

1 employer of the neutral; or

2 (5) forgo recourse to appeal from a decision not  
3 based on substantial evidence or disregarding his or her  
4 legal rights; or

5 (6) decline to participate in a class action; or

6 (7) forgo an award of attorney's fees, civil  
7 penalties, or of multiple damages otherwise available in  
8 a judicial proceeding.

9 Section 10. Voidable clauses in contracts. A disabling  
10 civil dispute clause in a standard form contract or lease is  
11 unconscionable and is voidable by the consumer, borrower,  
12 tenant, or employee. Upon request of a party to the contract  
13 or lease, the court must declare void a disabling civil  
14 dispute clause in a standard form contract or lease and  
15 prohibit the enforcement of that provision.

16 Section 15. Exemptions. This Act does not apply to any  
17 contract:

18 (1) for the sale or lease of property or for the  
19 delivery of services having a value in excess of  
20 \$200,000, or for a loan in excess of that amount; or

21 (2) of employment providing for compensation in  
22 excess of \$100,000 a year; or

23 (3) that is a commercial letter of credit.

24 Section 20. Arbitration. Nothing in this Act precludes  
25 parties from agreeing to the arbitration of a future dispute;  
26 provided that the arbitration agreement does not impose on  
27 any consumer, borrower, tenant, or employee procedural  
28 disabilities such as those enumerated in Section 5 of this  
29 Act as unconscionable.

30 Section 95. Severability. The provisions of this Act

1 are severable under Section 1.31 of the Statute on Statutes.