

HB1402



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB1402

by Rep. Michael J. Madigan

SYNOPSIS AS INTRODUCED:

205 ILCS 670/1

from Ch. 17, par. 5401

Amends the Consumer Installment Loan Act. Makes a technical change in a Section concerning a license required to engage in the business of making loans of money in a principal amount not exceeding \$40,000.

LRB101 03400 JRG 48408 b

A BILL FOR

1 AN ACT concerning regulation.

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

4 Section 5. The Consumer Installment Loan Act is amended by
5 changing Section 1 as follows:

6 (205 ILCS 670/1) (from Ch. 17, par. 5401)

7 Sec. 1. License required to engage in business. No person,
8 partnership, association, limited liability company, or
9 corporation shall engage in the ~~the~~ business of making loans of
10 money in a principal amount not exceeding \$40,000, and charge,
11 contract for, or receive on any such loan a greater rate of
12 interest, discount, or consideration therefor than the lender
13 would be permitted by law to charge if he were not a licensee
14 hereunder, except as authorized by this Act after first
15 obtaining a license from the Director of Financial Institutions
16 (hereinafter called the Director). No licensee, or employee or
17 affiliate thereof, that is licensed under the Payday Loan
18 Reform Act shall obtain a license under this Act except that a
19 licensee under the Payday Loan Reform Act may obtain a license
20 under this Act for the exclusive purpose and use of making
21 title-secured loans, as defined in subsection (a) of Section 15
22 of this Act and governed by Title 38, Section 110.300 of the
23 Illinois Administrative Code. For the purpose of this Section,

1 "affiliate" means any person or entity that directly or
2 indirectly controls, is controlled by, or shares control with
3 another person or entity. A person or entity has control over
4 another if the person or entity has an ownership interest of
5 25% or more in the other.

6 (Source: P.A. 96-936, eff. 3-21-11; 97-420, eff. 1-1-12.)