



## 101ST GENERAL ASSEMBLY

### State of Illinois

2019 and 2020

HB1581

by Rep. Sue Scherer

#### SYNOPSIS AS INTRODUCED:

110 ILCS 26/40 new

Amends the Credit Card Marketing Act of 2009. Creates the College Student Credit Card Marketing and Debt Task Force. Provides legislative findings. Provides for the membership of the Task Force. Provides that the Department of Financial and Professional Regulation shall provide technical and administrative support and any other necessary assistance to the Task Force and shall be responsible for administering its operations and ensuring that the requirements of the provisions are met. Provides that the Task Force shall conduct a study on student credit card debt; specifies study requirements. Provides that the Task Force shall report the findings of the study conducted and any recommendations to the General Assembly on or before December 14, 2019, at which time the Task Force shall be dissolved. Repeals these provisions on November 1, 2020. Effective immediately.

LRB101 04553 AXK 49561 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning education.

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

4 Section 5. The Credit Card Marketing Act of 2009 is amended  
5 by adding Section 40 as follows:

6 (110 ILCS 26/40 new)

7 Sec. 40. College Student Credit Card Marketing and Debt  
8 Task Force.

9 (a) The General Assembly finds the following:

10 (1) This Act was designed, in part, as an adaptation of  
11 the federal Credit Card Accountability Responsibility and  
12 Disclosure Act of 2009.

13 (2) In the intervening years since the adoption of  
14 these Acts, it remains an open question as to the extent to  
15 which the federal Credit Card Accountability  
16 Responsibility and Disclosure Act of 2009 has been an  
17 effective measure to eliminate issues of student credit  
18 card debt.

19 (3) Student credit card debt is an important issue that  
20 needs to be examined, with the goal of reducing the amount  
21 of credit card debt a student faces after graduating from  
22 an institution of higher education.

23 (b) There is created the College Student Credit Card

1 Marketing and Debt Task Force, which shall consist of the  
2 following members:

3 (1) a representative of a statewide organization  
4 representing credit unions licensed to operate in this  
5 State, appointed by the Secretary of Financial and  
6 Professional Regulation or his or her designee;

7 (2) a representative of a statewide organization  
8 representing community banks licensed to operate in this  
9 State, appointed by the Secretary of Financial and  
10 Professional Regulation or his or her designee;

11 (3) a representative of a statewide organization  
12 representing banks licensed to operate in this State,  
13 appointed by the Secretary of Financial and Professional  
14 Regulation or his or her designee;

15 (4) a representative of Southern Illinois University,  
16 appointed by the president of that university or his or her  
17 designee;

18 (5) a representative of the University of Illinois,  
19 appointed by the president of that university or his or her  
20 designee;

21 (6) a representative of Illinois State University,  
22 appointed by the president of that university or his or her  
23 designee;

24 (7) a representative of Eastern Illinois University,  
25 appointed by the president of that university or his or her  
26 designee; and

1           (8) a representative of the Office of the Attorney  
2           General, appointed by the Attorney General or his or her  
3           designee.

4           (c) The Task Force shall meet initially at the call of the  
5           Secretary of Financial and Professional Regulation, upon  
6           appointment of a majority of the members, to organize and to  
7           select one member as chairperson, who shall be elected by a  
8           majority vote of all of the members appointed to the Task  
9           Force. The Task Force shall thereafter meet at the call of the  
10           chairperson. All members shall serve without compensation, but  
11           shall be reimbursed for their reasonable and necessary expenses  
12           from funds appropriated for that purpose.

13           (d) The Department of Financial and Professional  
14           Regulation shall provide technical and administrative support  
15           and any other necessary assistance to the Task Force and shall  
16           be responsible for administering the Task Force's operations  
17           and ensuring that the requirements of this Section are met.

18           (e) The Task Force shall conduct a study that specifically  
19           examines all of the following factors:

20           (1) The total cost of credit to credit card issuers for  
21           students, as a percentage of the credit card's average  
22           cycle-ending balance.

23           (2) The percentage of Illinois students who pay off  
24           their credit card balances in full for at least 2  
25           consecutive months.

26           (3) The percentage of Illinois students who carry

1 balances on their credit cards all or most of the time.

2 (4) The total amount of credit extended to individuals  
3 between the ages of 18 and 21 in Illinois.

4 (5) The total amount of credit extended to students  
5 pursuing an undergraduate education in Illinois.

6 (6) The average number of new credit card accounts  
7 opened by a student pursuing an undergraduate education per  
8 5-year increments, beginning with the 2005-2006 academic  
9 year.

10 (7) The total number of annual mail solicitations of  
11 pre-approved credit card offers targeted to individuals  
12 who are between the ages of 18 and 21 years old, and the  
13 annual percentage rates for those cards.

14 (8) The total number of online solicitations of  
15 pre-approved credit card offers targeted to individuals  
16 who are between the ages of 18 and 21 years old, and the  
17 annual percentage rates for those cards.

18 (9) The total number of social media solicitations for  
19 pre-approved credit card offers targeted to individuals  
20 who are between the ages of 18 and 21 years old, and the  
21 annual percentage rates for those cards.

22 (10) A list of individuals who are between the ages of  
23 18 and 21 years old in this State who are targeted for  
24 pre-screened credit card offers, categorized by the  
25 percentage of students who are classified as Prime Plus,  
26 Prime, Non-Prime, and High-Risk.

1           (11) The total number of credit cards issued to  
2           students with the following add-ons: (i) debt protection,  
3           (ii) identity or theft protection, and (iii) credit score  
4           monitoring.

5           (12) The number of fee harvester credit cards marketed  
6           annually to students, including a credit card that charges  
7           a fee that exceeds 25% of the card's credit limit.

8           (13) The number of students who pay their monthly bill  
9           solely through an online portal.

10           (14) The number of student accounts with reward  
11           products providing points, including the value of the  
12           points, the rate at which points are earned, and the rules  
13           governing forfeiture of points.

14           The Task Force may consult with any persons or entities it  
15           deems necessary to carry out the study under this subsection  
16           (e).

17           (f) The Task Force shall report the findings of the study  
18           conducted under subsection (e) of this Section and any  
19           recommendations to the General Assembly on or before December  
20           14, 2019, at which time the Task Force shall be dissolved.

21           (g) This Section is repealed on November 1, 2020.

22           Section 99. Effective date. This Act takes effect upon  
23           becoming law.