



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB0104

Introduced 1/14/2021, by Rep. Jonathan Carroll

SYNOPSIS AS INTRODUCED:

205 ILCS 405/4	from Ch. 17, par. 4808
205 ILCS 405/13.1	from Ch. 17, par. 4822
205 ILCS 405/14	from Ch. 17, par. 4823
205 ILCS 405/16	from Ch. 17, par. 4832
205 ILCS 660/5	from Ch. 17, par. 5205
205 ILCS 660/6	from Ch. 17, par. 5206
205 ILCS 665/4	from Ch. 17, par. 5304
205 ILCS 665/6	from Ch. 17, par. 5306
205 ILCS 670/2	from Ch. 17, par. 5402
205 ILCS 670/4	from Ch. 17, par. 5404
205 ILCS 670/8	from Ch. 17, par. 5408
205 ILCS 670/11	from Ch. 17, par. 5411
205 ILCS 670/12.5	
815 ILCS 122/2-55	
815 ILCS 122/3-5	

Amends the Currency Exchange Act, the Sales Finance Agency Act, the Debt Management Service Act, the Consumer Installment Loan Act, and the Payday Loan Reform Act. Changes application fees, license fees, initial license fees, and fees to operate under those Acts. Changes the fine for late annual consumer installment loan reports to \$500 (instead of \$25) for each day beyond March 1 such report is filed. Establishes an initial license fee to operate as a payday lender in the amount of \$1,250. Changes the fine for late annual payday lender reports to \$500 (instead of \$25) for each day beyond March 1 such report is filed. In the Sales Finance Agency Act, the Consumer Installment Loan Act, and the Payday Loan Reform Act, makes changes to the expiration date of licenses under those Acts and adds a fee to reinstate an expired license. Effective immediately.

LRB102 04057 BMS 14073 b

FISCAL NOTE ACT
MAY APPLY

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 Currency Exchange Act is amended by
5 changing Sections 4, 13.1, 14, and 16 as follows:

6 (205 ILCS 405/4) (from Ch. 17, par. 4808)

7 Sec. 4. License application; contents; fees. A licensee
8 shall obtain a separate license for each licensed location.
9 Application for such license shall be in writing under oath
10 and in the form prescribed and furnished by the Secretary.
11 Each application shall contain the following:

12 (a) The applicant's full name and address (both of
13 residence and place of business) if the applicant is a
14 natural person, and if the applicant is a partnership,
15 limited liability company, or association, of every member
16 thereof, and the name and principal office if the
17 applicant is a corporation;

18 (b) The county and municipality, with street and
19 number, if any, where the community currency exchange is
20 to be conducted, if the application is for a community
21 currency exchange license;

22 (c) If the application is for an ambulatory currency
23 exchange license, the name and address of the employer at

1 each location to be served by it; and

2 (d) In the case of a licensee's initial license
3 application, the applicant's occupation or profession; a
4 detailed statement of the applicant's business experience
5 for the 10 years immediately preceding the application; a
6 detailed statement of the applicant's finances; the
7 applicant's present or previous connection with any other
8 currency exchange; whether the applicant has ever been
9 involved in any civil or criminal litigation, and the
10 material facts pertaining thereto; whether the applicant
11 has ever been committed to any penal institution or
12 admitted to an institution for the care and treatment of
13 mentally ill persons; and the nature of applicant's
14 occupancy of the premises to be licensed where the
15 application is for a community currency exchange license.
16 If the applicant is a partnership, the information
17 specified herein shall be required of each partner. If the
18 applicant is a corporation or limited liability company,
19 the said information shall be required of each controlling
20 person thereof along with disclosure of their ownership
21 interests.

22 A licensee's initial community currency exchange license
23 application shall be accompanied by a fee of \$1,000 for the
24 cost of investigating the applicant. A licensee's application
25 for licenses for additional licensed locations shall be
26 accompanied by a fee of \$1,500 ~~\$1,000~~ for each additional

1 license. If the ownership of a licensee or licensed location
2 changes, in whole or in part, a new application must be filed
3 pursuant to this Section along with a \$500 fee if the
4 licensee's ownership interests have been transferred or sold
5 to a new person or entity or a fee of \$300 if the licensee's
6 ownership interests have been transferred or sold to a current
7 holder or holders of the licensee's ownership interests. When
8 the application for a community currency exchange license has
9 been approved by the Secretary and the applicant so advised,
10 an additional sum of \$500 ~~\$400~~ as an annual license fee for a
11 period terminating on the last day of the current calendar
12 year shall be paid to the Secretary by the applicant;
13 provided, that the license fee for an applicant applying for
14 such a license after July 1st of any year shall be \$250 ~~\$200~~
15 for the balance of such year. Upon receipt of a community
16 currency exchange license application, the Secretary shall
17 examine the application for completeness and notify the
18 applicant in writing of any defect within 20 days after
19 receipt. The applicant must remedy the defect within 10 days
20 after the mailing of the notification of the defect by the
21 Secretary. Failure to timely remedy the defect will void the
22 application. Once the Secretary determines that the
23 application is complete, the Secretary shall have 90 business
24 days to approve or deny the application. If the application is
25 denied, the Secretary shall send by United States mail notice
26 of the denial to the applicant at the address set forth in the

1 application. If an application is denied, the applicant may,
2 within 10 days after the date of the notice of denial, make a
3 written request to the Secretary for a hearing on the
4 application. The hearing shall be set for a date after the
5 receipt by the Secretary of the request for a hearing, and
6 written notice of the time and place of the hearing shall be
7 mailed to the applicant no later than 15 days before the date
8 of the hearing. The hearing shall be scheduled for a date
9 within 56 days after the date of the receipt of the request for
10 a hearing. The applicant shall pay the actual cost of making
11 the transcript of the hearing prior to the Secretary's issuing
12 his or her decision. The Secretary's decision is subject to
13 review as provided in Section 22.01 of this Act.

14 An application for an ambulatory currency exchange license
15 shall be accompanied by a fee of \$1,000 ~~\$100~~, which fee shall
16 be for the cost of investigating the applicant. An approved
17 applicant shall not be required to pay the initial
18 investigation fee of \$1,000 ~~\$100~~ more than once. When the
19 application for an ambulatory currency exchange license has
20 been approved by the Secretary, and such applicant so advised,
21 such applicant shall pay an annual license fee of \$500 ~~\$25~~ for
22 each and every location to be served by such applicant;
23 provided that such license fee for an approved applicant
24 applying for such a license after July 1st of any year shall be
25 \$250 ~~\$12~~ for the balance of such year for each and every
26 location to be served by such applicant. Such an approved

1 applicant for an ambulatory currency exchange license, when
2 applying for a license with respect to a particular location,
3 shall file with the Secretary, at the time of filing an
4 application, a letter of memorandum, which shall be in writing
5 and under oath, signed by the owner or authorized
6 representative of the business whose employees are to be
7 served; such letter or memorandum shall contain a statement
8 that such service is desired, and that the person signing the
9 same is authorized so to do. The Secretary shall thereupon
10 verify the authenticity of the letter or memorandum and the
11 authority of the person who executed it, to do so.

12 The Department shall have 45 business days to approve or
13 deny a licensee's request to purchase another currency
14 exchange.

15 (Source: P.A. 99-445, eff. 1-1-16.)

16 (205 ILCS 405/13.1) (from Ch. 17, par. 4822)

17 Sec. 13.1. Consolidation of business locations. Whenever 2
18 or more licensees desire to consolidate their places of
19 business, they shall make application for such consolidation
20 to the Secretary upon a form provided by him or her. This
21 application shall state: (a) the name to be adopted and the
22 location at which the business is to be located, which name and
23 location shall be the same as one of the consolidating
24 licensees; (b) that the owners or all partners or all
25 stockholders or all members, as the case may be, of the

1 licensees involved in the contemplated consolidation, have
2 approved the application; (c) a certification by the
3 secretary, if any of the licensees be corporations, that the
4 contemplated consolidation has been approved by all of the
5 stockholders at a properly convened stockholders meeting; (d)
6 other relevant information the Secretary may require.
7 Simultaneously with the approval of the application by the
8 Secretary, the licensee or licensees who will cease doing
9 business shall: (a) surrender their license or licenses to the
10 Secretary; (b) transfer all of their assets and liabilities to
11 the licensee continuing to operate by virtue of the
12 application; (c) apply to the Secretary of State, if they be
13 corporations, for surrender of their corporate charter in
14 accordance with the provisions of the Business Corporation Act
15 of 1983.

16 An application for consolidation shall be approved or
17 rejected by the Secretary within 30 days after receipt by him
18 of such application and supporting documents required
19 thereunder. The Secretary shall impose a consolidation fee of
20 \$500 ~~\$100~~ per application.

21 Such consolidation shall not affect suits pending in which
22 the surrendering licensees are parties; nor shall such
23 consolidation affect causes of action nor the rights of
24 persons in particular; nor shall suits brought against such
25 licensees in their former names be abated for that cause.

26 Nothing contained herein shall limit or prohibit any

1 action or remedy available to a licensee or to the Secretary
2 under Sections 15, 15.1 to 15.1e or 15.2 of this Act.

3 (Source: P.A. 97-315, eff. 1-1-12.)

4 (205 ILCS 405/14) (from Ch. 17, par. 4823)

5 Sec. 14. Every licensee, shall, on or before November 15,
6 pay to the Secretary the annual license fee or fees for the
7 next succeeding calendar year and shall at the same time file
8 with the Secretary the annual bond or bonds and the insurance
9 policy or policies as and if required by this Act. The annual
10 license fee for each community currency exchange shall be \$500
11 ~~\$400~~ for each licensee and \$500 ~~\$400~~ for each additional
12 licensed location. The annual license fee for each location
13 served by an ambulatory currency exchange shall be \$500 ~~\$25~~.

14 (Source: P.A. 99-445, eff. 1-1-16; 99-549, eff. 7-15-16.)

15 (205 ILCS 405/16) (from Ch. 17, par. 4832)

16 Sec. 16. Annual report; investigation; costs.

17 (a) Each licensee shall annually, on or before the 1st day
18 of March, file a report with the Secretary for the calendar
19 year period from January 1st through December 31st, giving
20 such relevant information as the Secretary may reasonably
21 require concerning, and for the purpose of examining, the
22 business and operations during the preceding fiscal year
23 period of each licensed currency exchange conducted by such
24 licensee within the State. Such report shall be made under

1 oath and shall be in the form prescribed by the Secretary. The
2 Secretary may at any time, and shall at least once in each
3 year, investigate the currency exchange business of any
4 licensee and of every person, partnership, association,
5 limited liability company, and corporation who or which shall
6 be engaged in the business of operating a currency exchange.
7 For that purpose, the Secretary shall have free access to the
8 offices and places of business and to such records of all such
9 persons, firms, partnerships, associations, limited liability
10 companies and members thereof, and corporations and to the
11 officers and directors thereof that shall relate to such
12 currency exchange business. The investigation may be conducted
13 in conjunction with representatives of other State agencies or
14 agencies of another state or of the United States as
15 determined by the Secretary. The Secretary may at any time
16 inspect the locations served by an ambulatory currency
17 exchange, for the purpose of determining whether such currency
18 exchange is complying with the provisions of this Act at each
19 location served. The Secretary may require by subpoena the
20 attendance of and examine under oath all persons whose
21 testimony he may require relative to such business, and in
22 such cases the Secretary, or any qualified representative of
23 the Secretary whom the Secretary may designate, may administer
24 oaths to all such persons called as witnesses, and the
25 Secretary, or any such qualified representative of the
26 Secretary, may conduct such examinations, and there shall be

1 paid to the Secretary for each such examination a fee of \$500
2 ~~\$250~~ for each day or part thereof for each qualified
3 representative designated and required to conduct the
4 examination; provided, however, that in the case of an
5 ambulatory currency exchange, such fee shall be \$150 for each
6 day or part thereof.

7 (b) Confidentiality. All information collected by the
8 Department in the course of an examination or investigation of
9 an ambulatory or community currency exchange or applicant,
10 including, by not limited to, any complaint against an
11 ambulatory or community currency exchange filed with the
12 Department, and information collected to investigate any such
13 complaint shall be maintained for the confidential use of the
14 Department and shall not be disclosed. The Department may not
15 disclose such information to anyone other than law enforcement
16 officials, other regulatory agencies that have an appropriate
17 regulatory interest as determined by the Secretary, or to a
18 party presenting a lawful subpoena to the Department.
19 Information and documents disclosed to a federal, State,
20 county, or local law enforcement agency shall not be disclosed
21 by the agency for any purpose to any other agency or person. A
22 formal complaint filed against a licensee by the Department or
23 any order issued by the Department against a licensee shall be
24 a public record, except as otherwise prohibited by law.

25 (Source: P.A. 97-315, eff. 1-1-12.)

1 Section 10. The Sales Finance Agency Act is amended by
2 changing Sections 5 and 6 as follows:

3 (205 ILCS 660/5) (from Ch. 17, par. 5205)

4 Sec. 5. If a licensee fails to renew his or her license by
5 the 1st ~~31st~~ day of December, it shall automatically expire on
6 the 31st day of December and the licensee is not entitled to a
7 hearing; however, the Director in his or her discretion, may
8 reinstate an expired license upon payment of the annual
9 renewal fee, ~~and~~ proof of good cause for failure to renew, and
10 payment of an additional fee for failure to renew in a timely
11 manner as determined by the Director.

12 (Source: P.A. 90-437, eff. 1-1-98.)

13 (205 ILCS 660/6) (from Ch. 17, par. 5206)

14 Sec. 6. A license fee of \$1,250 ~~\$300~~ for the applicant's
15 principal place of business and \$1,000 ~~\$100~~ for each
16 additional place of business for which a license is sought
17 must be submitted with an application for license made before
18 July 1 of any year. ~~If application for a license is made on~~
19 ~~July 1 or thereafter, a license fee of \$150 for the principal~~
20 ~~place of business and of \$50 for each additional place of~~
21 ~~business must accompany the application.~~ Each license remains
22 in force until surrendered, suspended, or revoked. If the
23 application for license is denied, the original license fee
24 shall be retained by the State in reimbursement of its costs of

1 investigating that application.

2 Before the license is granted, the applicant shall prove
3 in form satisfactory to the Director, that the applicant has a
4 positive net worth of a minimum of \$30,000.

5 A licensee must pay to the Department, and the Department
6 must receive, by December 1 of each year, the renewal license
7 application on forms prescribed by the Director and the
8 following renewal fee ~~\$300~~ for the license for his principal
9 place of business and one-half of the following renewal fee
10 ~~\$100~~ for each additional license held as a renewal license fee
11 for the succeeding calendar year:—

<u>TOTAL TRANSACTIONS</u>	<u>RENEWAL FEE</u>
13 <u>500 or less</u>	<u>\$500</u>
14 <u>More than 500 and</u>	
15 <u>up to and including 1,000</u>	<u>\$500 plus \$10 per 50</u>
16	<u>transactions in excess of 500</u>
	<u>transactions</u>
17 <u>More than 1,000 and</u>	
18 <u>up to and including 10,000 ..</u>	<u>\$1,000 plus \$5 per 100</u>
19	<u>transactions in excess of 1,000</u>
	<u>transactions</u>
20 <u>More than 10,000 and</u>	
21 <u>up to and including 100,000 ..</u>	<u>\$1,450 plus \$2.50 per 1,000</u>
22	<u>transactions in excess of</u>
	<u>10,000 transactions</u>

1 More than 100,000..... \$1,675 plus \$1.25 per 10,000
 2 transactions in excess of
 3 100,000 transactions

3 As used in this Section, "transactions" means loans made
 4 or acquired pursuant to this Act during the calendar year
 5 preceding the calendar year for which a licensee seeks to
 6 renew its license.

7 (Source: P.A. 92-398, eff. 1-1-02.)

8 Section 15. The Debt Management Service Act is amended by
 9 changing Sections 4 and 6 as follows:

10 (205 ILCS 665/4) (from Ch. 17, par. 5304)

11 Sec. 4. Application for license. Application for a license
 12 to engage in the debt management service business in this
 13 State shall be made to the Secretary and shall be in writing,
 14 under oath, and in the form prescribed by the Secretary.

15 Each applicant, at the time of making such application,
 16 shall pay to the Secretary the sum of \$1,250 ~~\$30.00~~ as a fee
 17 ~~for investigation of the applicant, and the additional sum of~~
 18 ~~\$100.00~~ as a license fee.

19 Every applicant shall submit to the Secretary, at the time
 20 of the application for a license, a bond to be approved by the
 21 Secretary in which the applicant shall be the obligor, in the
 22 sum of \$25,000 or such additional amount as required by the
 23 Secretary based on the amount of disbursements made by the

1 licensee in the previous year, and in which an insurance
2 company, which is duly authorized by the State of Illinois, to
3 transact the business of fidelity and surety insurance shall
4 be a surety.

5 The bond shall run to the Secretary for the use of the
6 Department or of any person or persons who may have a cause of
7 action against the obligor in said bond arising out of any
8 violation of this Act or rules by a licensee. Such bond shall be
9 conditioned that the obligor will faithfully conform to and
10 abide by the provisions of this Act and of all rules,
11 regulations and directions lawfully made by the Secretary and
12 will pay to the Secretary or to any person or persons any and
13 all money that may become due or owing to the State or to such
14 person or persons, from said obligor under and by virtue of the
15 provisions of this Act.

16 (Source: P.A. 96-1420, eff. 8-3-10.)

17 (205 ILCS 665/6) (from Ch. 17, par. 5306)

18 Sec. 6. Renewal of license. Each debt management service
19 provider under the provisions of this Act may make application
20 to the Secretary for renewal of its license, which application
21 for renewal shall be on the form prescribed by the Secretary
22 and shall be accompanied by a fee of \$1,000 ~~\$100.00~~ together
23 with a bond or other surety as required, in a minimum amount of
24 \$25,000 or such an amount as required by the Secretary based on
25 the amount of disbursements made by the licensee in the

1 previous year. The application must be received by the
2 Department no later than December 1 of the year preceding the
3 year for which the application applies.

4 (Source: P.A. 96-1420, eff. 8-3-10.)

5 Section 20. The Consumer Installment Loan Act is amended
6 by changing Sections 2, 4, 8, 11, and 12.5 as follows:

7 (205 ILCS 670/2) (from Ch. 17, par. 5402)

8 Sec. 2. Application; fees; positive net worth. Application
9 for such license shall be in writing, and in the form
10 prescribed by the Director. Such applicant at the time of
11 making such application shall pay to the Director the sum of
12 \$1,250 ~~\$300~~ as an application fee ~~and the additional sum of~~
13 ~~\$450 as an annual license fee, for a period terminating on the~~
14 ~~last day of the current calendar year; provided that if the~~
15 ~~application is filed after June 30th in any year, such license~~
16 ~~fee shall be 1/2 of the annual license fee for such year.~~

17 Before the license is granted, every applicant shall prove
18 in form satisfactory to the Director that the applicant has
19 and will maintain a positive net worth of a minimum of \$30,000.
20 Every applicant and licensee shall maintain a surety bond in
21 the principal sum of \$25,000 issued by a bonding company
22 authorized to do business in this State and which shall be
23 approved by the Director. Such bond shall run to the Director
24 and shall be for the benefit of any consumer who incurs damages

1 as a result of any violation of the Act or rules by a licensee.
2 If the Director finds at any time that a bond is of
3 insufficient size, is insecure, exhausted, or otherwise
4 doubtful, an additional bond in such amount as determined by
5 the Director shall be filed by the licensee within 30 days
6 after written demand therefor by the Director. "Net worth"
7 means total assets minus total liabilities.

8 (Source: P.A. 92-398, eff. 1-1-02; 93-32, eff. 7-1-03.)

9 (205 ILCS 670/4) (from Ch. 17, par. 5404)

10 Sec. 4. Investigation to determine whether license shall
11 be issued. Upon the filing of an application and the payment of
12 the fee, the Director shall investigate to determine (1) that
13 the reputation of the applicant, including managers of a
14 limited liability company, partners, owners, officers or
15 directors thereof is such as to warrant belief that the
16 business will be operated honestly and fairly within the
17 purposes of this Act and (2) that the applicant meets the
18 positive net worth requirement set forth in Section 2 of this
19 Act. Unless the Director makes findings hereinabove
20 enumerated, he or she shall not issue a license and shall
21 notify the applicant of the denial and return to the applicant
22 the sum paid by the applicant as a license fee, but shall
23 retain the \$1,250 ~~\$300~~ application fee. The Director shall
24 approve or deny every application for license hereunder within
25 60 days from the filing thereof with the fee.

1 (Source: P.A. 90-437, eff. 1-1-98; 90-575, eff. 3-20-98.)

2 (205 ILCS 670/8) (from Ch. 17, par. 5408)

3 Sec. 8. Annual license fee; expenses ~~fee~~ Expenses.
 4 Before the 1st day of each December, a licensee must pay to the
 5 Director, and the Department must receive, an ~~the~~ annual
 6 license fee calculated as set forth in the following ~~required~~
 7 ~~by Section 2~~ for the next succeeding calendar year. The
 8 license shall expire on the first of January unless the
 9 license fee has been paid prior thereto.

10 <u>TOTAL TRANSACTIONS</u>	<u>RENEWAL FEE</u>
11 <u>500 or less</u>	<u>\$500</u>
12 <u>More than 500 and</u>	
13 <u>up to and including 1,000</u>	<u>\$500 plus \$10 per 50</u>
14	<u>transactions in excess of 500</u> <u>transactions</u>
15 <u>More than 1,000 and</u>	
16 <u>up to and including 10,000</u> ..	<u>\$1,000 plus \$5 per 100</u>
17	<u>transactions in excess of 1,000</u> <u>transactions</u>
18 <u>More than 10,000 and</u>	
19 <u>up to and including 100,000</u> ..	<u>\$1,450 plus \$2.50 per 1,000</u>
20	<u>transactions in excess of</u> <u>10,000 transactions</u>

1 More than 100,000..... \$1,675 plus \$1.25 per 10,000
 2 transactions in excess of
 3 100,000 transactions

3 As used in this Section, "transactions" means loans made
 4 pursuant to this Act during the calendar year preceding the
 5 calendar year for which a licensee seeks to renew its license.

6 In addition to such license fee, the reasonable expense of
 7 any examination, investigation or custody by the Director
 8 under any provisions of this Act shall be borne by the
 9 licensee.

10 If a licensee fails to renew his or her license by the 1st
 11 ~~31st~~ day of December, it shall automatically expire on the
 12 31st of December and the licensee is not entitled to a hearing;
 13 however, the Director, in his or her discretion, may reinstate
 14 an expired license upon payment of the annual renewal fee, ~~and~~
 15 proof of good cause for failure to renew, and payment of an
 16 additional fee for failure to renew in a timely manner as
 17 determined by the Director.

18 (Source: P.A. 100-958, eff. 8-19-18.)

19 (205 ILCS 670/11) (from Ch. 17, par. 5411)

20 Sec. 11. Books and records - Reports.

21 (a) Every licensee shall retain and use in his business or
 22 at another location approved by the Director such records as
 23 are required by the Director to enable the Director to
 24 determine whether the licensee is complying with the

1 provisions of this Act and the rules and regulations
2 promulgated pursuant to this Act. Every licensee shall
3 preserve the records of any loan for at least 2 years after
4 making the final entry for such loan. Accounting systems
5 maintained in whole or in part by mechanical or electronic
6 data processing methods which provide information equivalent
7 to that otherwise required and follow generally accepted
8 accounting principles are acceptable for that purpose, if
9 approved by the Director in writing.

10 (b) Each licensee shall annually, on or before the first
11 day of March, file a report with the Director giving such
12 relevant information as the Director may reasonably require
13 concerning the business and operations during the preceding
14 calendar year of each licensed place of business conducted by
15 the licensee. The report must be received by the Department on
16 or before March 1. The report shall be made under oath and in a
17 form prescribed by the Director. Whenever a licensee operates
18 2 or more licensed offices or whenever 2 or more affiliated
19 licensees operate licensed offices, a composite report of such
20 group of licensed offices may be filed in lieu of individual
21 reports. The Director may make and publish annually an
22 analysis and recapitulation of such reports. The Director may
23 fine each licensee \$500 ~~\$25~~ for each day beyond March 1 such
24 report is filed.

25 (Source: P.A. 92-398, eff. 1-1-02.)

1 (205 ILCS 670/12.5)

2 Sec. 12.5. Limited purpose branch.

3 (a) Upon the written approval of the Director, a licensee
4 may maintain a limited purpose branch for the sole purpose of
5 making loans as permitted by this Act. A limited purpose
6 branch may include an automatic loan machine. No other
7 activity shall be conducted at the site, including but not
8 limited to, accepting payments, servicing the accounts, or
9 collections.

10 (b) The licensee must submit an application for a limited
11 purpose branch to the Director on forms prescribed by the
12 Director with an application fee of \$1,250 ~~\$300~~. The approval
13 for the limited purpose branch must be renewed concurrently
14 with the renewal of the licensee's license along with a
15 renewal fee as set forth in Section 8 ~~of \$300~~ for the limited
16 purpose branch.

17 (c) The books, accounts, records, and files of the limited
18 purpose branch's transactions shall be maintained at the
19 licensee's licensed location. The licensee shall notify the
20 Director of the licensed location at which the books,
21 accounts, records, and files shall be maintained.

22 (d) The licensee shall prominently display at the limited
23 purpose branch the address and telephone number of the
24 licensee's licensed location.

25 (e) No other business shall be conducted at the site of the
26 limited purpose branch unless authorized by the Director.

1 (f) The Director shall make and enforce reasonable rules
2 for the conduct of a limited purpose branch.

3 (g) A limited purpose branch may not be located within
4 1,000 feet of a facility operated by an inter-track wagering
5 licensee or an organization licensee subject to the Illinois
6 Horse Racing Act of 1975, on a riverboat or in a casino subject
7 to the Illinois Gambling Act, or within 1,000 feet of the
8 location at which the riverboat docks or within 1,000 feet of a
9 casino.

10 (Source: P.A. 101-31, eff. 6-28-19.)

11 Section 25. The Payday Loan Reform Act is amended by
12 changing Sections 2-55 and 3-5 as follows:

13 (815 ILCS 122/2-55)

14 Sec. 2-55. Information, reporting, and examination.

15 (a) A licensee shall keep and use books, accounts, and
16 records that will enable the Secretary to determine if the
17 licensee is complying with the provisions of this Act and
18 maintain any other records as required by the Secretary.

19 (b) A licensee shall collect and maintain information
20 annually for a report that shall disclose in detail and under
21 appropriate headings:

22 (1) the total number of payday loans made during the
23 preceding calendar year;

24 (2) the total number of payday loans outstanding as of

1 December 31 of the preceding calendar year;

2 (3) the minimum, maximum, and average dollar amount of
3 payday loans made during the preceding calendar year;

4 (4) the average annual percentage rate and the average
5 term of payday loans made during the preceding calendar
6 year; and

7 (5) the total number of payday loans paid in full, the
8 total number of loans that went into default, and the
9 total number of loans written off during the preceding
10 calendar year.

11 The report shall be verified by the oath or affirmation of
12 the owner, manager, or president of the licensee. The report
13 must be filed with the Secretary no later than March 1 of the
14 year following the year for which the report discloses the
15 information specified in this subsection (b). The Secretary
16 may impose upon the licensee a fine of \$500 ~~\$25~~ per day for
17 each day beyond the filing deadline that the report is not
18 filed.

19 (c) No later than July 31 of the second year following the
20 effective date of this Act, the Department shall publish a
21 biennial report that contains a compilation of aggregate data
22 concerning the payday lending industry and shall make the
23 report available to the Governor, the General Assembly, and
24 the general public.

25 (d) The Department shall have the authority to conduct
26 examinations of the books, records, and loan documents at any

1 time.

2 (Source: P.A. 94-13, eff. 12-6-05.)

3 (815 ILCS 122/3-5)

4 Sec. 3-5. Licensure.

5 (a) A license to make a payday loan shall state the
6 address, including city and state, at which the business is to
7 be conducted and shall state fully the name of the licensee.
8 The license shall be conspicuously posted in the place of
9 business of the licensee and shall not be transferable or
10 assignable.

11 (b) An application for a license shall be in writing and in
12 a form prescribed by the Secretary. The Secretary may not
13 issue a payday loan license unless and until the following
14 findings are made:

15 (1) that the financial responsibility, experience,
16 character, and general fitness of the applicant are such
17 as to command the confidence of the public and to warrant
18 the belief that the business will be operated lawfully and
19 fairly and within the provisions and purposes of this Act;
20 and

21 (2) that the applicant has submitted such other
22 information as the Secretary may deem necessary.

23 (c) A license shall be issued for no longer than one year,
24 and no renewal of a license may be provided if a licensee has
25 substantially violated this Act and has not cured the

1 violation to the satisfaction of the Department.

2 (d) A licensee shall appoint, in writing, the Secretary as
3 attorney-in-fact upon whom all lawful process against the
4 licensee may be served with the same legal force and validity
5 as if served on the licensee. A copy of the written
6 appointment, duly certified, shall be filed in the office of
7 the Secretary, and a copy thereof certified by the Secretary
8 shall be sufficient evidence to subject a licensee to
9 jurisdiction in a court of law. This appointment shall remain
10 in effect while any liability remains outstanding in this
11 State against the licensee. When summons is served upon the
12 Secretary as attorney-in-fact for a licensee, the Secretary
13 shall immediately notify the licensee by registered mail,
14 enclosing the summons and specifying the hour and day of
15 service.

16 (e) A licensee must pay an initial ~~annual~~ fee of \$1,250 and
17 an annual renewal fee as set forth in the following: ~~\$1,000.~~

<u>TOTAL TRANSACTIONS</u>	<u>RENEWAL FEE</u>
<u>500 or less</u>	<u>\$500</u>
<u>More than 500 and</u>	
<u>up to and including 1,000</u>	<u>\$500 plus \$10 per 50</u>
	<u>transactions in excess of 500</u>
	<u>transactions</u>
<u>More than 1,000 and</u>	

23 More than 1,000 and

1 up to and including 10,000 .. \$1,000 plus \$5 per 100
2 transactions in excess of 1,000
transactions

3 More than 10,000 and
4 up to and including 100,000 .. \$1,450 plus \$2.50 per 1,000
5 transactions in excess of
10,000 transactions

6 More than 100,000 .. \$1,675 plus \$1.25 per 10,000
7 transactions in excess of
100,000 transactions

8 As used in this Section, "transactions" means loans made
9 or acquired pursuant to this Act during the calendar year
10 preceding the calendar year for which a licensee seeks to
11 renew its license.

12 In addition to the license fee, the reasonable expense of
13 any examination or hearing by the Secretary under any
14 provisions of this Act shall be borne by the licensee. If a
15 licensee fails to renew its license by December 1, its license
16 shall automatically expire on December 31; however, the
17 Secretary, in his or her discretion, may reinstate an expired
18 license upon:

- 19 (1) payment of the annual fee within 30 days of the
- 20 date of expiration; ~~and~~
- 21 (2) proof of good cause for failure to renew; ~~and~~
- 22 (3) payment of an additional fee for failure to renew
- 23 in a timely manner as determined by the Secretary.

1 (f) Not more than one place of business shall be
2 maintained under the same license, but the Secretary may issue
3 more than one license to the same licensee upon compliance
4 with all the provisions of this Act governing issuance of a
5 single license. The location, except those locations already
6 in existence as of June 1, 2005, may not be within one mile of
7 a horse race track subject to the Illinois Horse Racing Act of
8 1975, within one mile of a facility at which gambling is
9 conducted under the Illinois Gambling Act, within one mile of
10 the location at which a riverboat subject to the Illinois
11 Gambling Act docks, or within one mile of any State of Illinois
12 or United States military base or naval installation.

13 (g) No licensee shall conduct the business of making loans
14 under this Act within any office, suite, room, or place of
15 business in which (1) any loans are offered or made under the
16 Consumer Installment Loan Act other than title secured loans
17 as defined in subsection (a) of Section 15 of the Consumer
18 Installment Loan Act and governed by Title 38, Section 110.330
19 of the Illinois Administrative Code or (2) any other business
20 is solicited or engaged in unless the other business is
21 licensed by the Department or, in the opinion of the
22 Secretary, the other business would not be contrary to the
23 best interests of consumers and is authorized by the Secretary
24 in writing.

25 (g-5) Notwithstanding subsection (g) of this Section, a
26 licensee may obtain a license under the Consumer Installment

1 Loan Act (CILA) for the exclusive purpose and use of making
2 title secured loans, as defined in subsection (a) of Section
3 15 of CILA and governed by Title 38, Section 110.300 of the
4 Illinois Administrative Code. A licensee may continue to
5 service Consumer Installment Loan Act loans that were
6 outstanding as of the effective date of this amendatory Act of
7 the 96th General Assembly.

8 (h) The Secretary shall maintain a list of licensees that
9 shall be available to interested consumers and lenders and the
10 public. The Secretary shall maintain a toll-free number
11 whereby consumers may obtain information about licensees. The
12 Secretary shall also establish a complaint process under which
13 an aggrieved consumer may file a complaint against a licensee
14 or non-licensee who violates any provision of this Act.

15 (Source: P.A. 100-958, eff. 8-19-18; 101-31, eff. 6-28-19.)

16 Section 99. Effective date. This Act takes effect upon
17 becoming law.