



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB5220

Introduced 1/31/2022, by Rep. Mark L. Walker

SYNOPSIS AS INTRODUCED:

See Index

Amends the Regulatory Sunset Act to remove the Collection Agency Act from the provisions of the Act. Amends the Financial Institutions Code. Sets forth the powers and duties of the Division of Financial Institutions of the Department of Financial and Professional Regulation. Amends the Collection Agency Act. Provides that no action may be filed against any licensee for violation of the terms of the Act or its rules unless the action is commenced within 5 years after the discovery of the alleged violation (rather than the occurrence of the alleged violation). Makes changes to provisions concerning definitions; unlicensed practice, violations, and civil penalties; application for original licensure; qualifications for licensure; fees; disciplinary action; communication in connection with debt collection; powers and duties of the Department; investigation, notice, and hearing; administrative review and venue; and expiration, renewal, and restoration of licenses. Repeals provisions concerning: informal conferences; the Collection Agency Licensing and Disciplinary Board; records of hearings; findings and recommendations; rehearings; appointment of hearing officers; orders or certified copies; restoration of licenses from discipline; and surrender of licenses. Makes other changes. Effective January 1, 2023.

LRB102 25772 BMS 35102 b

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 Regulatory Sunset Act is amended by
5 changing Section 4.36 as follows:

6 (5 ILCS 80/4.36)

7 Sec. 4.36. Acts repealed on January 1, 2026. The following
8 Acts are repealed on January 1, 2026:

9 The Barber, Cosmetology, Esthetics, Hair Braiding, and
10 Nail Technology Act of 1985.

11 ~~The Collection Agency Act.~~

12 The Hearing Instrument Consumer Protection Act.

13 The Illinois Athletic Trainers Practice Act.

14 The Illinois Dental Practice Act.

15 The Illinois Roofing Industry Licensing Act.

16 The Illinois Physical Therapy Act.

17 The Professional Geologist Licensing Act.

18 The Respiratory Care Practice Act.

19 (Source: P.A. 99-26, eff. 7-10-15; 99-204, eff. 7-30-15;
20 99-227, eff. 8-3-15; 99-229, eff. 8-3-15; 99-230, eff. 8-3-15;
21 99-427, eff. 8-21-15; 99-469, eff. 8-26-15; 99-492, eff.
22 12-31-15; 99-642, eff. 7-28-16.)

1 Section 10. The Financial Institutions Code is amended by
2 changing Sections 4 and 6 as follows:

3 (20 ILCS 1205/4) (from Ch. 17, par. 104)

4 Sec. 4. As used in this Act:

5 ~~(a)~~ "Department" means the Department of Financial and
6 Professional Regulation Institutions.

7 ~~(b)~~ "Director" means the Director of the Division of
8 Financial Institutions and any authorized representative of
9 the Director.

10 "Division" means the Division of Financial Institutions of
11 the Department.

12 ~~(c)~~ ~~"Person" means any individual, partnership, joint~~
13 ~~venture, trust, estate, firm, corporation, association or~~
14 ~~cooperative society or association.~~

15 ~~(d)~~ "Financial institutions" means ambulatory and
16 community currency exchanges, credit unions, guaranteed credit
17 unions, money transmitters, ~~persons engaged in the business of~~
18 ~~transmitting money to foreign countries or buying and selling~~
19 ~~foreign money, pawners' societies,~~ title insuring or
20 guaranteeing companies, consumer installment lenders, payday
21 lenders, sales finance agencies, and any other industry or
22 business that offers services or products that are regulated
23 under any Act administered by the Director ~~and persons engaged~~
24 ~~in the business of making loans of \$800 or less, all as~~
25 ~~respectively defined in the laws referred to in Section 6 of~~

1 ~~this Act. The term includes sales finance agencies, as defined~~
2 ~~in the "Sales Finance Agency Act", enacted by the 75th General~~
3 ~~Assembly.~~

4 "License" means any certificate or authorization issued to
5 any person, party, or entity pursuant to any Act administered
6 by the Division.

7 "Licensee" means any person, party, or entity who is or
8 comes to be certified, chartered, registered, licensed, or
9 otherwise authorized by the Division pursuant to any Act
10 administered by the Division.

11 ~~(e)~~ "Payday loan" has the meaning ascribed to that term in
12 the Payday Loan Reform Act.

13 "Person" means any individual, partnership, joint venture,
14 trust, estate, firm, corporation, cooperative society or
15 association, or any other form of business association or
16 legal entity.

17 "Secretary" means the Secretary of Financial and
18 Professional Regulation and any authorized representative of
19 the Secretary.

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

21 (20 ILCS 1205/6) (from Ch. 17, par. 106)

22 Sec. 6. General powers and duties. In addition to the
23 powers and duties provided by law and imposed elsewhere in
24 this Act, the Division ~~Department~~ has the following powers and
25 duties:

1 (1) To administer and enforce the Consumer Installment
2 Loan Act and its implementing rules. ~~To exercise the rights,~~
3 ~~powers and duties vested by law in the Auditor of Public~~
4 ~~Accounts under "An Act to provide for the incorporation,~~
5 ~~management and regulation of pawners' societies and limiting~~
6 ~~the rate of compensation to be paid for advances, storage and~~
7 ~~insurance on pawns and pledges and to allow the loaning of~~
8 ~~money upon personal property", approved March 29, 1899, as~~
9 ~~amended.~~

10 (2) To administer and enforce the Currency Exchange Act
11 and its implementing rules. ~~To exercise the rights, powers and~~
12 ~~duties vested by law in the Auditor of Public Accounts under~~
13 ~~"An Act in relation to the definition, licensing and~~
14 ~~regulation of community currency exchanges and ambulatory~~
15 ~~currency exchanges, and the operators and employees thereof,~~
16 ~~and to make an appropriation therefor, and to provide~~
17 ~~penalties and remedies for the violation thereof", approved~~
18 ~~June 30, 1943, as amended.~~

19 (3) To administer and enforce the Debt Management Service
20 Act and its implementing rules. ~~To exercise the rights,~~
21 ~~powers, and duties vested by law in the Auditor of Public~~
22 ~~Accounts under "An Act in relation to the buying and selling of~~
23 ~~foreign exchange and the transmission or transfer of money to~~
24 ~~foreign countries", approved June 28, 1923, as amended.~~

25 (4) To administer and enforce the Debt Settlement Consumer
26 Protection Act and its implementing rules. ~~To exercise the~~

1 ~~rights, powers, and duties vested by law in the Auditor of~~
2 ~~Public Accounts under "An Act to provide for and regulate the~~
3 ~~business of guaranteeing titles to real estate by~~
4 ~~corporations", approved May 13, 1901, as amended.~~

5 (5) To administer and enforce the Illinois Development
6 Credit Corporation Act and its implementing rules. ~~To exercise~~
7 ~~the rights, powers and duties vested by law in the Department~~
8 ~~of Insurance under "An Act to define, license, and regulate~~
9 ~~the business of making loans of eight hundred dollars or less,~~
10 ~~permitting an interest charge thereon greater than otherwise~~
11 ~~allowed by law, authorizing and regulating the assignment of~~
12 ~~wages or salary when taken as security for any such loan or as~~
13 ~~consideration for a payment of eight hundred dollars or less,~~
14 ~~providing penalties, and to repeal Acts therein named",~~
15 ~~approved July 11, 1935, as amended.~~

16 (6) To administer and enforce the Payday Loan Reform Act
17 and its implementing rules. ~~To administer and enforce "An Act~~
18 ~~to license and regulate the keeping and letting of safety~~
19 ~~deposit boxes, safes, and vaults, and the opening thereof, and~~
20 ~~to repeal a certain Act therein named", approved June 13,~~
21 ~~1945, as amended.~~

22 (7) To administer and enforce the Safety Deposit License
23 Act and its implementing rules. ~~Whenever the Department is~~
24 ~~authorized or required by law to consider some aspect of~~
25 ~~criminal history record information for the purpose of~~
26 ~~carrying out its statutory powers and responsibilities, then,~~

1 ~~upon request and payment of fees in conformance with the~~
2 ~~requirements of Section 2605-400 of the Illinois State Police~~
3 ~~Law, the Illinois State Police is authorized to furnish,~~
4 ~~pursuant to positive identification, such information~~
5 ~~contained in State files as is necessary to fulfill the~~
6 ~~request.~~

7 (8) To administer and enforce the Sales Finance Agency Act
8 and its implementing rules. ~~To administer the Payday Loan~~
9 ~~Reform Act, the Consumer Installment Loan Act, the Predatory~~
10 ~~Loan Prevention Act, the Motor Vehicle Retail Installment~~
11 ~~Sales Act, and the Retail Installment Sales Act.~~

12 (9) To administer and enforce the Title Insurance Act and
13 its implementing rules.

14 (10) To administer and enforce the Transmitters of Money
15 Act and its implementing rules.

16 (11) To administer and enforce the Predatory Loan
17 Prevention Act and its implementing rules.

18 (12) To administer and enforce the Motor Vehicle Retail
19 Installment Sales Act and its implementing rules.

20 (13) To administer and enforce the Retail Installment
21 Sales Act and its implementing rules.

22 (14) To administer and enforce the Illinois Credit Union
23 Act and its implementing rules.

24 (15) To administer and enforce the Collection Agency Act
25 and its implementing rules.

26 (16) To administer and enforce any other Act administered

1 by the Director or Division.

2 (17) If the Division is authorized or required by law to
3 consider some aspect of criminal history record information
4 for the purpose of carrying out its statutory powers and
5 responsibilities, to obtain from the Illinois State Police,
6 upon request and payment of the fees required by the Illinois
7 State Police Law of the Civil Administrative Code of Illinois,
8 pursuant to positive identification, such information
9 contained in State files as is necessary to carry out the
10 duties of the Division.

11 (18) To authorize and administer examinations to ascertain
12 the qualifications of applicants and licensees for which the
13 examination is held.

14 (19) To conduct hearings in proceedings to revoke,
15 suspend, refuse to renew, or take other disciplinary action
16 regarding licenses, charters, certifications, registrations,
17 or authorities of persons as authorized in any Act
18 administered by the Division.

19 (Source: P.A. 101-658, eff. 3-23-21; 102-538, eff. 8-20-21;
20 revised 10-5-21.)

21 Section 15. The Collection Agency Act is amended by
22 changing Sections 2, 4.5, 5, 7, 8a, 9, 9.2, 13.2, 16, 26, and
23 30 as follows:

24 (225 ILCS 425/2) (from Ch. 111, par. 2002)

1 (Section scheduled to be repealed on January 1, 2026)

2 Sec. 2. Definitions. In this Act:

3 "Address of record" means the designated address recorded
4 by the Department in the applicant's or licensee's application
5 file or license file as maintained by the Department's
6 licensure maintenance unit.

7 ~~"Board" means the Collection Agency Licensing and
8 Disciplinary Board.~~

9 "Charge-off balance" means an account principal and other
10 legally collectible costs, expenses, and interest accrued
11 prior to the charge-off date, less any payments or settlement.

12 "Charge-off date" means the date on which a receivable is
13 treated as a loss or expense.

14 "Collection agency" means any person who, in the ordinary
15 course of business, regularly, on behalf of himself or herself
16 or others, engages in the collection of a debt.

17 "Consumer debt" or "consumer credit" means money or
18 property, or their equivalent, due or owing or alleged to be
19 due or owing from a natural person by reason of a consumer
20 credit transaction.

21 "Credit transaction" means a transaction between a natural
22 person and another person in which property, service, or money
23 is acquired on credit by that natural person from such other
24 person primarily for personal, family, or household purposes.

25 "Creditor" means a person who extends consumer credit to a
26 debtor.

1 "Current balance" means the charge-off balance plus any
2 legally collectible costs, expenses, and interest, less any
3 credits or payments.

4 "Debt" means money, property, or their equivalent which is
5 due or owing or alleged to be due or owing from a person to
6 another person.

7 "Debt buyer" means a person or entity that is engaged in
8 the business of purchasing delinquent or charged-off consumer
9 loans or consumer credit accounts or other delinquent consumer
10 debt for collection purposes, whether it collects the debt
11 itself or hires a third-party for collection or an
12 attorney-at-law for litigation in order to collect such debt.

13 "Debtor" means a person from whom a collection agency
14 seeks to collect a consumer or commercial debt that is due and
15 owing or alleged to be due and owing from such person.

16 "Department" means the Department of Financial and
17 Professional Regulation.

18 "Email address of record" means the designated email
19 address recorded by the Department in the applicant's
20 application file or the licensee's license file, as maintained
21 by the Department's licensure maintenance unit.

22 "Person" means a natural person, partnership, corporation,
23 limited liability company, trust, estate, cooperative,
24 association, or other similar entity.

25 "Licensed collection agency" means a person who is
26 licensed under this Act to engage in the practice of debt

1 collection in Illinois.

2 "Multi-state licensing system" means a web-based platform
3 that allows licensure applicants to submit their applications
4 and renewals to the Department online.

5 "Secretary" means the Secretary of Financial and
6 Professional Regulation or his or her designee.

7 (Source: P.A. 99-227, eff. 8-3-15; 99-500, eff. 1-29-16;
8 100-132, eff. 8-18-17.)

9 (225 ILCS 425/4.5)

10 (Section scheduled to be repealed on January 1, 2026)

11 Sec. 4.5. Unlicensed practice; violation; civil penalty.

12 (a) Any person who practices, offers to practice, attempts
13 to practice, or holds oneself out to practice as a collection
14 agency without being licensed under this Act shall, in
15 addition to any other penalty provided by law, pay a civil
16 penalty to the Department in an amount not to exceed \$10,000
17 for each offense as determined by the Department. The civil
18 penalty shall be assessed by the Department after a hearing is
19 held in accordance with the provisions set forth in this Act
20 regarding the provision of a hearing for the discipline of a
21 licensee.

22 (b) The Department has the authority and power to
23 investigate any and all unlicensed activity. In addition to
24 taking any other action provided under this Act, whenever the
25 Department has reason to believe a person has violated any

1 provision of subsection (a) of this Section, the Department
2 may issue a rule to show cause why an order to cease and desist
3 should not be entered against that person. The rule shall
4 clearly set forth the grounds relied upon by the Department
5 and shall provide a period of 7 days from the date of the rule
6 to file an answer to the satisfaction of the Department.
7 Failure to answer to the satisfaction of the Department shall
8 provide the Department authority to issue ~~cause~~ an order to
9 cease and desist ~~to be issued~~ immediately.

10 (c) The civil penalty shall be paid within 60 days after
11 the effective date of the order imposing the civil penalty.
12 The order shall constitute a judgment and may be filed and
13 executed ~~execution had thereon~~ in the same manner as any
14 judgment from any court of record.

15 (d) All moneys collected under this Section shall be
16 deposited into the Financial Institution Fund.

17 (Source: P.A. 102-205, eff. 7-30-21.)

18 (225 ILCS 425/5) (from Ch. 111, par. 2008)

19 (Section scheduled to be repealed on January 1, 2026)

20 Sec. 5. Application for original license. Application for
21 an original license shall be made to the Secretary on forms
22 provided by the Department or through a multi-state licensing
23 system as designated by the Secretary. The application, shall
24 be accompanied by the required fee and shall state:

25 (1) the applicant's name and address;

1 (2) the names and addresses of the officers of the
2 collection agency and, if the collection agency is a
3 corporation, the names and addresses of all persons owning
4 10% or more of the stock of such corporation, if the
5 collection agency is a partnership, the names and
6 addresses of all partners of the partnership holding a 10%
7 or more interest in the partnership, if the collection
8 agency is a limited liability company, the names and
9 addresses of all members holding 10% or more interest in
10 the limited liability company, and if the collection
11 agency is any other legal business entity, the names and
12 addresses of all persons owning 10% or more interest in
13 the entity; and

14 (3) such other information as the Department may deem
15 necessary.

16 (Source: P.A. 99-227, eff. 8-3-15; 100-132, eff. 8-18-17.)

17 (225 ILCS 425/7) (from Ch. 111, par. 2010)

18 (Section scheduled to be repealed on January 1, 2026)

19 Sec. 7. Qualifications for license. In order to be
20 qualified to obtain a license or a renewal license under this
21 Act, a collection agency's owners or officers shall:

22 (a) have the financial responsibility, financial
23 condition, business experience, character, and general
24 fitness such as to merit the confidence and trust of the
25 public that an applicant, licensee, or regulated person is

1 fit, willing, and able to carry on his or her proposed
2 business in a lawful and fair manner ~~be of good moral~~
3 ~~character and of the age of 18 years or more;~~

4 (a-5) be 18 years of age or more;

5 (b) (blank); and

6 (c) have an acceptable credit rating, have no
7 unsatisfied judgments; and not have been officers and
8 owners of 10% or more interest of a former licensee under
9 this Act whose license was suspended or revoked without
10 subsequent restoration.

11 (Source: P.A. 99-227, eff. 8-3-15; 100-132, eff. 8-18-17.)

12 (225 ILCS 425/8a) (from Ch. 111, par. 2011a)

13 (Section scheduled to be repealed on January 1, 2026)

14 Sec. 8a. Fees.

15 (a) The fees for the administration and enforcement of
16 this Act, including but not limited to original licensure,
17 renewal, and restoration, shall be set by the Department by
18 rule. All fees are nonrefundable.

19 (b) All fees collected under this Act by the Department
20 shall be deposited into the Financial Institution Fund and
21 shall be appropriated to the Department for the ordinary and
22 contingent expenses of the Department in the administration of
23 this Act. After the effective date of this amendatory Act of
24 the 102nd General Assembly, the Department may transfer any
25 funds ~~fees~~ collected under this Act from the General

1 Professions Dedicated Fund to the Financial Institution Fund.

2 (c) The administration fee charged by the multi-state
3 licensing system shall be paid directly to the multi-state
4 licensing system.

5 (Source: P.A. 102-205, eff. 7-30-21.)

6 (225 ILCS 425/9) (from Ch. 111, par. 2012)

7 (Section scheduled to be repealed on January 1, 2026)

8 Sec. 9. Disciplinary actions.

9 (a) The Department may refuse to issue or renew, or may
10 revoke, suspend, place on probation, reprimand or take other
11 disciplinary or non-disciplinary action as the Department may
12 deem proper, including fines not to exceed \$10,000 per
13 violation, for any one or any combination of the following
14 causes:

15 (1) Material misstatement in furnishing information to
16 the Department.

17 (2) Violations of this Act or of the rules promulgated
18 hereunder.

19 (3) Conviction by plea of guilty or nolo contendere,
20 finding of guilt, jury verdict, or entry of judgment or by
21 sentencing of any crime, including, but not limited to,
22 convictions, preceding sentences of supervision,
23 conditional discharge, or first offender probation of the
24 collection agency or any of the officers or owners of more
25 than 10% interest of the agency of any crime under the laws

1 of any U.S. jurisdiction that (i) is a felony, (ii) is a
2 misdemeanor, an essential element of which is dishonesty,
3 or (iii) is directly related to the practice of a
4 collection agency.

5 (4) Fraud or misrepresentation in applying for, or
6 procuring, a license under this Act or in connection with
7 applying for renewal of a license under this Act.

8 (5) Aiding or assisting another person in violating
9 any provision of this Act or rules adopted under this Act.

10 (6) Failing, within 60 days, to provide information in
11 response to a written request made by the Department.

12 (7) Habitual or excessive use or addiction to alcohol,
13 narcotics, stimulants or any other chemical agent or drug
14 which results in the inability to practice with reasonable
15 judgment, skill, or safety by any of the officers or
16 owners of 10% or more interest of a collection agency.

17 (8) Discipline by another state, the District of
18 Columbia, a territory of the United States, or a foreign
19 nation, if at least one of the grounds for the discipline
20 is the same or substantially equivalent to those set forth
21 in this Act.

22 (9) A finding by the Department that the licensee,
23 after having his or her license placed on probationary
24 status, has violated the terms of probation.

25 (10) Willfully making or filing false records or
26 reports in his or her practice, including, but not limited

1 to, false records filed with State agencies or
2 departments.

3 (11) Practicing or attempting to practice under a
4 false or, except as provided by law, an assumed name.

5 (12) A finding by the Federal Trade Commission or
6 other federal or State agency that a licensee violated the
7 federal Fair Debt Collection Practices Act or its rules.

8 (13) Failure to file a return, or to pay the tax,
9 penalty or interest shown in a filed return, or to pay any
10 final assessment of tax, penalty or interest, as required
11 by any tax Act administered by the Illinois Department of
12 Revenue until such time as the requirements of any such
13 tax Act are satisfied.

14 (14) Using or threatening to use force or violence to
15 cause physical harm to a debtor, his or her family or his
16 or her property.

17 (15) Threatening to instigate an arrest or criminal
18 prosecution where no basis for a criminal complaint
19 lawfully exists.

20 (16) Threatening the seizure, attachment or sale of a
21 debtor's property where such action can only be taken
22 pursuant to court order without disclosing that prior
23 court proceedings are required.

24 (17) Disclosing or threatening to disclose information
25 adversely affecting a debtor's reputation for credit
26 worthiness with knowledge the information is false.

1 (18) Threatening ~~Initiating or threatening~~ to initiate
2 communication with a debtor's employer unless there has
3 been a default of the payment of the obligation for at
4 least 30 days and the licensee has given at least 5 days
5 prior written notice, ~~to the last known address of the~~
6 ~~debtor,~~ of the intention to communicate with the employer
7 ~~has been given~~ to the employee to the last known address of
8 the debtor, ~~except as expressly permitted by law or court~~
9 ~~order.~~

10 (19) Communicating with the debtor or any member of
11 the debtor's family at such a time of day or night and with
12 such frequency as to constitute harassment of the debtor
13 or any member of the debtor's family. For purposes of this
14 Section the following conduct shall constitute harassment:

15 (A) Communicating with the debtor or any member of
16 his or her family in connection with the collection of
17 any debt without the prior consent of the debtor given
18 directly to the debt collector, or the express
19 permission of a court of competent jurisdiction, at
20 any unusual time or place or a time or place known or
21 which should be known to be inconvenient to the
22 debtor. In the absence of knowledge of circumstances
23 to the contrary, a debt collector shall assume that
24 the convenient time for communicating with a consumer
25 is after 8 o'clock a.m. and before 9 o'clock p.m. in
26 the debtor's local time ~~at the debtor's location.~~

1 (B) The threat of publication or publication of a
2 list of consumers who allegedly refuse to pay debts,
3 except to a consumer reporting agency.

4 (C) The threat of advertisement or advertisement
5 for sale of any debt to coerce payment of the debt.

6 (D) Causing a telephone to ring or engaging any
7 person in telephone conversation repeatedly or
8 continuously with intent to annoy, abuse, or harass
9 any person at the called number.

10 (20) Using profane, obscene or abusive language in
11 communicating with a debtor, his or her family or others.

12 (21) Disclosing or threatening to disclose information
13 relating to a debtor's debt to any other person except
14 where such other person has a legitimate business need for
15 the information or except where such disclosure is
16 permitted by law.

17 (22) Disclosing or threatening to disclose information
18 concerning the existence of a debt which the collection
19 agency knows to be disputed by the debtor without
20 disclosing the fact that the debtor disputes the debt.

21 (23) Engaging in any conduct that is intended to cause
22 and did cause mental or physical illness to the debtor or
23 his or her family.

24 (24) Attempting or threatening to enforce a right or
25 remedy with knowledge or reason to know that the right or
26 remedy does not exist.

1 (25) Failing to disclose to the debtor or his or her
2 family the legally authorized corporate, partnership or
3 proprietary name, or other trade or business name, under
4 which the collection agency is engaging in debt
5 collections ~~and which he or she is legally authorized to~~
6 ~~use.~~

7 (26) Using any form of communication which simulates
8 legal or judicial process or which gives the appearance of
9 being authorized, issued, or approved by a governmental
10 agency or official or by an attorney at law when it is not.

11 (27) Using any badge, uniform, or other indicia of any
12 governmental agency or official except as authorized by
13 law.

14 (28) Conducting business under any name or in any
15 manner which suggests or implies that the collection
16 agency is a branch of or is affiliated in any way with a
17 governmental agency or court if such collection agency is
18 not.

19 (29) Failing to disclose, at the time of making any
20 demand for payment, the name of the person to whom the debt
21 is owed and at the request of the debtor, the address where
22 payment is to be made and the address of the person to whom
23 the debt is owed.

24 (30) Misrepresenting the amount of the debt alleged to
25 be owed.

26 (31) Representing that an existing debt may be

1 increased by the addition of attorney's fees,
2 investigation fees or any other fees or charges when such
3 fees or charges may not legally be added to the existing
4 debt.

5 (32) Representing that the collection agency is an
6 attorney at law or an agent for an attorney if he or she is
7 not.

8 (33) Collecting or attempting to collect any interest
9 or other charge or fee in excess of the actual debt unless
10 such interest or other charge or fee is expressly
11 authorized by the agreement creating the debt unless
12 expressly authorized by law or unless in a commercial
13 transaction such interest or other charge or fee is
14 expressly authorized in a subsequent agreement. If a
15 contingency or hourly fee arrangement (i) is established
16 under an agreement between a collection agency and a
17 creditor to collect a debt and (ii) is paid by a debtor
18 pursuant to a contract between the debtor and the
19 creditor, then that fee arrangement does not violate this
20 Section unless the fee is unreasonable. The Department
21 shall determine what constitutes a reasonable collection
22 fee.

23 (34) Communicating or threatening to communicate with
24 a debtor when the collection agency is informed in writing
25 by an attorney that the attorney represents the debtor
26 concerning the debt. If the attorney fails to respond

1 within a reasonable period of time, the collector may
2 communicate with the debtor. The collector may communicate
3 with the debtor when the attorney gives his or her
4 consent.

5 (35) Engaging in dishonorable, unethical, or
6 unprofessional conduct of a character likely to deceive,
7 defraud, or harm the public.

8 (b) No collection agency while collecting or attempting to
9 collect a debt shall engage in any of the Acts specified in
10 this Section, each of which shall be unlawful practice.

11 (Source: P.A. 99-227, eff. 8-3-15; 100-872, eff. 8-14-18.)

12 (225 ILCS 425/9.2)

13 (Section scheduled to be repealed on January 1, 2026)

14 Sec. 9.2. Communication in connection with debt
15 collection.

16 (a) Without the prior consent of the debtor given directly
17 to the collection agency or the express permission of a court
18 of competent jurisdiction, a collection agency may not
19 communicate with a debtor in connection with the collection of
20 any debt in any of the following circumstances:

21 (1) At any unusual time, place, or manner that is
22 known or should be known to be inconvenient to the debtor.
23 In the absence of knowledge of circumstances to the
24 contrary, a collection agency shall assume that the
25 convenient time for communicating with a debtor is after

1 8:00 a.m. and before 9:00 p.m. in the debtor's local time
2 ~~at the debtor's location.~~

3 (2) If the collection agency knows the debtor is
4 represented by an attorney with respect to such debt and
5 has knowledge of or can readily ascertain, the attorney's
6 name and address, unless the attorney fails to respond
7 within a reasonable period of time to a communication from
8 the collection agency or unless the attorney consents to
9 direct communication with the debtor.

10 (3) At the debtor's place of employment, if the
11 collection agency knows or has reason to know that the
12 debtor's employer prohibits the debtor from receiving such
13 communication.

14 (b) Except as provided in Section 9.1 of this Act, a
15 collection agency may not communicate, in connection with the
16 collection of any debt, with any person other than the debtor,
17 the debtor's attorney, a consumer reporting agency if
18 otherwise permitted by law, the creditor, the attorney of the
19 creditor, or the attorney of the collection agency without the
20 prior consent of the debtor given directly to the collection
21 agency, the express permission of a court of competent
22 jurisdiction, or as reasonably necessary to effectuate a
23 post-judgment judicial remedy, ~~a collection agency may not~~
24 ~~communicate, in connection with the collection of any debt,~~
25 ~~with any person other than the debtor, the debtor's attorney,~~
26 ~~a consumer reporting agency if otherwise permitted by law, the~~

1 ~~creditor, the attorney of the creditor, or the attorney of the~~
2 ~~collection agency.~~

3 (c) If a debtor notifies a collection agency in writing
4 that the debtor refuses to pay a debt or that the debtor wishes
5 the collection agency to cease further communication with the
6 debtor, the collection agency may not communicate further with
7 the debtor with respect to such debt, except to perform any of
8 the following tasks:

9 (1) Advise the debtor that the collection agency's
10 further efforts are being terminated.

11 (2) Notify the debtor that the collection agency or
12 creditor may invoke specified remedies that are ordinarily
13 invoked by such collection agency or creditor.

14 (3) Notify the debtor that the collection agency or
15 creditor intends to invoke a specified remedy.

16 If such notice from the debtor is made by mail,
17 notification shall be complete upon receipt.

18 (d) For the purposes of this Section, "debtor" includes
19 the debtor's spouse, parent (if the debtor is a minor),
20 guardian, executor, or administrator.

21 (e) This Section applies to a collection agency or debt
22 buyer only when engaged in the collection of consumer debt.

23 (Source: P.A. 99-227, eff. 8-3-15; 99-500, eff. 1-29-16.)

24 (225 ILCS 425/13.2) (from Ch. 111, par. 2038.2)

25 (Section scheduled to be repealed on January 1, 2026)

1 Sec. 13.2. Powers and duties of Department. The Department
2 shall exercise the powers and duties prescribed by the
3 Financial Institutions Code ~~Civil Administrative Code of~~
4 ~~Illinois~~ for the administration of licensing Acts and shall
5 exercise such other powers and duties necessary for
6 effectuating the purposes of this Act.

7 Subject to the provisions of this Act, the Department may:

8 (1) Conduct hearings on proceedings to refuse to issue
9 or renew or to revoke licenses or suspend, place on
10 probation, or reprimand persons licensed under this Act.

11 (2) To adopt rules consistent with the purposes of
12 this Act, including, but not limited to: (i) rules in
13 connection with the activities of collection agencies as
14 may be necessary and appropriate for the protection of
15 consumers in this State; (ii) rules as may be necessary
16 and appropriate to define and enforce against improper or
17 fraudulent business practices in connection with the
18 activities of collection agencies; (iii) rules that define
19 the terms used in this Act and as may be necessary and
20 appropriate to interpret and implement the provisions of
21 this Act; and (iv) rules as may be necessary for the
22 enforcement of this Act ~~Formulate rules required for the~~
23 ~~administration of this Act.~~

24 (3) (Blank). ~~Obtain written recommendations from the~~
25 ~~Board regarding standards of professional conduct, formal~~
26 ~~disciplinary actions and the formulation of rules~~

1 ~~affecting these matters. Notice of proposed rulemaking~~
2 ~~shall be transmitted to the Board and the Department shall~~
3 ~~review the response of the Board and any recommendations~~
4 ~~made in the response. The Department may solicit the~~
5 ~~advice of the Board on any matter relating to the~~
6 ~~administration and enforcement of this Act.~~

7 (4) (Blank).

8 (Source: P.A. 99-227, eff. 8-3-15; 100-132, eff. 8-18-17.)

9 (225 ILCS 425/16)

10 (Section scheduled to be repealed on January 1, 2026)

11 Sec. 16. Investigation; notice and hearing. The Department
12 may investigate the actions or qualifications of any applicant
13 or of any person rendering or offering to render collection
14 agency services or any person holding or claiming to hold a
15 license as a collection agency. The Department shall, before
16 refusing to issue or renew, revoking, suspending, placing on
17 probation, reprimanding, or taking any other disciplinary
18 action under Section 9 of this Act, serve notice on any person,
19 including a statement of the reasons for the Department's
20 action, and notify the person that they may file a Petition for
21 a Hearing with the Department within 30 days of service. All
22 hearings shall be conducted in accordance with 38 Ill. Adm.
23 Code 100 at least 30 days before the date set for the hearing,
24 ~~(i) notify the accused in writing of the charges made and the~~
25 ~~time and place for the hearing on the charges, (ii) direct him~~

1 ~~er her to file his or her written answer to the charges with~~
2 ~~the Department under oath within 20 days after the service on~~
3 ~~him or her of the notice, and (iii) inform the accused that if~~
4 ~~he or she fails to file an answer default will be taken against~~
5 ~~him or her or his or her license may be suspended, revoked, or~~
6 ~~placed on probation, or other disciplinary action may be taken~~
7 ~~with regard to the license, including limiting the scope,~~
8 ~~nature, or extent of his or her practice, as the Department may~~
9 ~~consider proper. At the time and place fixed in the notice, the~~
10 ~~Department shall proceed to hear the charges. The parties or~~
11 ~~their counsel shall be accorded ample opportunity to present~~
12 ~~any pertinent statements, testimony, evidence, and arguments.~~
13 ~~The Department may continue the hearing from time to time.~~
14 ~~Nothing in this Section shall be construed to require that a~~
15 ~~hearing be commenced and completed in one day. At the~~
16 ~~discretion of the Secretary, after having first received the~~
17 ~~recommendation of the Board, the accused person's license may~~
18 ~~be suspended or revoked, if the evidence constitutes~~
19 ~~sufficient grounds for such action under this Act. If the~~
20 ~~person fails to file an answer after receiving notice, his or~~
21 ~~her license may, in the discretion of the Department, be~~
22 ~~suspended, revoked, or placed on probation, or the Department~~
23 ~~may take whatever disciplinary action it considers proper,~~
24 ~~including limiting the scope, nature, or extent of the~~
25 ~~person's practice or the imposition of a fine, without a~~
26 ~~hearing, if the act or acts charged constitute sufficient~~

1 ~~grounds for such action under this Act.~~ Written or electronic
2 notice may be served by personal delivery, mail, or email to
3 the applicant or licensee at the address of record or email
4 address of record. Service by mail is completed when the
5 notice is deposited in the U.S. Mail. Service to the email
6 address of record is completed when the email is sent.

7 (Source: P.A. 99-227, eff. 8-3-15; 100-132, eff. 8-18-17.)

8 (225 ILCS 425/26)

9 (Section scheduled to be repealed on January 1, 2026)

10 Sec. 26. Administrative review; venue.

11 (a) All final administrative decisions of the Department
12 are subject to judicial review under the Administrative Review
13 Law and its rules. The term "administrative decision" is
14 defined as in Section 3-101 of the Code of Civil Procedure.

15 (b) Proceedings for judicial review shall be commenced in
16 the circuit court of the county in which the party applying for
17 review resides, but if the party is not a resident of Illinois,
18 the venue shall be in Cook County or Sangamon County.

19 (Source: P.A. 99-227, eff. 8-3-15.)

20 (225 ILCS 425/30)

21 (Section scheduled to be repealed on January 1, 2026)

22 Sec. 30. Expiration, renewal, and restoration of license.

23 The expiration date and renewal period for each license shall
24 be set by rule. A collection agency whose license has expired

1 may restore its license at any time within one year ~~5 years~~
2 after the expiration thereof, by making a renewal application
3 and by paying the required fee.

4 However, any licensed collection agency whose license has
5 expired while the ~~individual~~ licensed person or ~~while~~ a
6 shareholder, partner, or member owning 50% or more of the
7 interest in the collection agency ~~whose license has expired~~
8 ~~while he or she~~ was (i) on active duty with the Armed Forces of
9 the United States or called into service or training by the
10 State militia; or (ii) in training or education under the
11 supervision of the United States preliminary to induction into
12 the military service, may have his or her license renewed or
13 restored without paying any lapsed renewal fee or restoration
14 fee if, within 2 years after termination of the service,
15 training, or education, he or she furnishes the Department
16 with satisfactory evidence of service, training, or education
17 and it has been terminated under honorable conditions.

18 Any collection agency whose license has expired for more
19 than one year ~~5 years~~ may have it restored by applying to the
20 Department, paying the required fee, and filing acceptable
21 proof of fitness to have the license restored as set by rule.

22 (Source: P.A. 99-227, eff. 8-3-15; 100-132, eff. 8-18-17.)

23 (225 ILCS 425/11 rep.)

24 (225 ILCS 425/13.1 rep.)

25 (225 ILCS 425/17 rep.)

1 (225 ILCS 425/19 rep.)

2 (225 ILCS 425/20 rep.)

3 (225 ILCS 425/21 rep.)

4 (225 ILCS 425/22 rep.)

5 (225 ILCS 425/23 rep.)

6 (225 ILCS 425/24 rep.)

7 (225 ILCS 425/25 rep.)

8 Section 20. The Collection Agency Act is amended by
9 repealing Sections 11, 13.1, 17, 19, 20, 21, 22, 23, 24, and
10 25.

11 Section 95. Illinois Compiled Statutes reassignment. The
12 Legislative Reference Bureau shall reassign the following Act
13 to the specified location in the Illinois Compiled Statutes
14 and file appropriate documents with the Index Division of the
15 Office of the Secretary of State in accordance with subsection
16 (c) of Section 5.04 of the Legislative Reference Bureau Act:

17 Collection Agency Act, reassigned from 225 ILCS 425/ to
18 205 ILCS 740/.

19 Section 99. Effective date. This Act takes effect January
20 1, 2023.

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3	5 ILCS 80/4.36	
4	20 ILCS 1205/4	from Ch. 17, par. 104
5	20 ILCS 1205/6	from Ch. 17, par. 106
6	225 ILCS 425/2	from Ch. 111, par. 2002
7	225 ILCS 425/4.5	
8	225 ILCS 425/5	from Ch. 111, par. 2008
9	225 ILCS 425/7	from Ch. 111, par. 2010
10	225 ILCS 425/8a	from Ch. 111, par. 2011a
11	225 ILCS 425/9	from Ch. 111, par. 2012
12	225 ILCS 425/9.2	
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14	225 ILCS 425/16	
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1 225 ILCS 425/25 rep.