

1 AN ACT concerning State government.

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

4 Article 1. General Provisions

5 Section 1-1. Short title. This Act may be cited as the
6 Pawnbroker Regulation Act of 2023.

7 Section 1-5. Definitions.

8 As used in this Act:

9 "Applicant" means a person applying for a license pursuant
10 to this Act.

11 "Department" means the Department of Financial and
12 Professional Regulation.

13 "Licensee" means a person licensed pursuant to this Act.

14 "Pawn" means the advance of money on the deposit or pledge
15 of physically delivered personal property, other than property
16 the ownership of which is subject to a legal dispute or other
17 exempt property or instruments.

18 "Pawnbroker" means every individual or business entity
19 that:

20 (1) advances money on the pledge of tangible personal
21 property, other than securities, printed evidence of
22 indebtedness, or printed evidence of ownership of the

1 personal property; or

2 (2) deals in the purchase of personal property on the
3 condition of selling the property back again at a
4 stipulated price.

5 "Pawn customer" means a person who pawns or pledges and
6 physically delivers personal property in exchange for money.

7 "Secretary" means the Secretary of Financial and
8 Professional Regulation, or his or her designee, including the
9 Director of the Division of Banking of the Department of
10 Financial and Professional Regulation.

11 Article 5. Licensure

12 Section 5-1. Scope; number of pawnbroker licenses.

13 (a) It is unlawful for any person to operate as a
14 pawnbroker in Illinois except as authorized by this Act and
15 without first having obtained a license in accordance with
16 this Act.

17 (b) The business of a pawnbroker does not include advances
18 of money secured by a deposit or pledge of title to personal
19 property or motor vehicles.

20 (c) There shall not be more than 250 active pawnbroker
21 licenses at any one time within the State of Illinois. There
22 shall not be more than 150 active pawnbroker licenses issued
23 for the counties of Cook, DuPage, Kane, Lake, McHenry, and
24 Will at any one time.

1 Section 5-5. Licensee name.

2 (a) No person, partnership, association, corporation,
3 limited liability company, or other entity engaged in the
4 business regulated by this Act shall operate the business
5 under a name other than the real names of the entity and
6 individuals conducting the business. The business may in
7 addition operate under an assumed corporate name pursuant to
8 the Business Corporation Act of 1983, an assumed limited
9 liability company name pursuant to the Limited Liability
10 Company Act, or an assumed business name pursuant to the
11 Assumed Business Name Act.

12 (b) It is unlawful for an individual or business entity to
13 conduct business in this State using the word "pawn",
14 "pawnshop", or "pawnbroker" in connection with the business or
15 to transact business in this State in a manner that has a
16 substantial likelihood of misleading the public by implying
17 that the business is a pawnshop, without first obtaining a
18 license from the Secretary.

19 Section 5-10. Application process; investigation; fees.

20 (a) The Secretary shall issue a license upon completion of
21 all of the following:

22 (1) The filing of an application for license with the
23 Secretary or the Nationwide Multistate Licensing System
24 and Registry as approved by the Secretary.

1 (2) The filing with the Secretary of a listing of
2 judgments entered against, and bankruptcy petitions by,
3 the license applicant for the preceding 10 years.

4 (3) The payment, in certified funds, of the following
5 investigation and application fees:

6 (A) the fees for licensure shall be a \$2,000
7 application fee and an additional \$800 fee for
8 investigation. These fees are nonrefundable; and

9 (B) the fee for an application renewal shall be
10 \$2,000. The fee is nonrefundable.

11 (4) An investigation of the application, which
12 investigation must allow the Secretary to issue positive
13 findings stating that the financial responsibility,
14 experience, character, and general fitness of the license
15 applicant and of the members thereof if the license
16 applicant is a partnership or association, of the officers
17 and directors thereof if the license applicant is a
18 corporation, and of the managers and members that retain
19 any authority or responsibility under the operating
20 agreement if the license applicant is a limited liability
21 company, are such as to command the confidence of the
22 community and to warrant belief that the business will be
23 operated honestly, fairly, and efficiently within the
24 purpose of this Act; if the Secretary does not so find, he
25 or she shall not issue the license, and he or she shall
26 notify the license applicant of the denial.

1 The Secretary may impose conditions on a license if the
2 Secretary determines that those conditions are necessary or
3 appropriate. These conditions shall be imposed in writing and
4 shall continue in effect for the period prescribed by the
5 Secretary.

6 (b) All licenses shall be issued to the license applicant.
7 Upon issuance of the license, a pawnbroker licensee shall be
8 authorized to engage in the business regulated by this Act.
9 The license shall remain in full force and effect until it
10 expires without renewal, is surrendered by the licensee, or
11 revoked or suspended.

12 Section 5-15. Application form.

13 (a) Application for a pawnbroker license must be made in
14 accordance with Section 5-20 and, if applicable, in accordance
15 with requirements of the Nationwide Multistate Licensing
16 System and Registry. The application shall be in writing,
17 under oath or affirmation, and on a form obtained from and
18 prescribed by the Secretary, or may be submitted
19 electronically, with attestation, to the Nationwide Multistate
20 Licensing System and Registry.

21 (b) The application shall contain the name, complete
22 business, and residential address or addresses of the license
23 applicant. If the license applicant is a partnership,
24 association, corporation, or other form of business
25 organization, the application shall contain the names and

1 complete business and residential addresses of each member,
2 director, and principal officer thereof. The application shall
3 also include a description of the activities of the license
4 applicant in such detail and for such periods as the Secretary
5 may require, including all of the following:

6 (1) an affirmation of financial solvency noting such
7 capitalization requirements as may be required by the
8 Secretary and access to such credit as may be required by
9 the Secretary;

10 (2) an affirmation that the license applicant or its
11 members, directors, or principals, as may be appropriate,
12 are at least 18 years of age;

13 (3) information as to the character, fitness,
14 financial and business responsibility, background,
15 experience, and criminal record of any:

16 (A) person, entity, or ultimate equitable owner
17 that owns or controls, directly or indirectly, 10% or
18 more of any class of stock of the license applicant;

19 (B) person, entity, or ultimate equitable owner
20 that is not a depository institution, as defined in
21 Section 1007.50 of the Savings Bank Act, that lends,
22 provides, or infuses, directly or indirectly, in any
23 way, funds to or into a license applicant in an amount
24 equal to or more than 10% of the license applicant's
25 net worth;

26 (C) person, entity, or ultimate equitable owner

1 that controls, directly or indirectly, the election of
2 25% or more of the members of the board of directors of
3 a license applicant; or

4 (D) person, entity, or ultimate equitable owner
5 that the Secretary finds influences management of the
6 license applicant; the provisions of this subsection
7 shall not apply to a public official serving on the
8 board of directors of a State guaranty agency;

9 (4) upon written request by the licensee and
10 notwithstanding the provisions of paragraphs (1) and (2)
11 of this subsection, the Secretary may permit the licensee
12 to omit all or part of the information required by those
13 paragraphs if, instead of the omitted information, the
14 licensee submits an affidavit stating that the information
15 submitted on the licensee's previous renewal application
16 is still true and accurate; then the Secretary may adopt
17 rules prescribing the form and content of the affidavit
18 that are necessary to accomplish the purposes of this
19 Section; and

20 (5) such other information as required by rules of the
21 Secretary.

22 Section 5-20. Pawnbroker license application and issuance.

23 (a) Applicants for a license shall apply in a form
24 prescribed by the Secretary. Each form shall contain content
25 as set forth by rule, regulation, instruction, or procedure of

1 the Department or Secretary and may be changed or updated as
2 necessary by the Department or Secretary in order to carry out
3 the purposes of this Act.

4 (b) In order to fulfill the purposes of this Act, the
5 Secretary is authorized to establish relationships or
6 contracts with the Nationwide Multistate Licensing System and
7 Registry or other entities designated by the Nationwide
8 Multistate Licensing System and Registry to collect and
9 maintain records and process transaction fees or other fees
10 related to licensees or other persons subject to this Act.

11 (c) In connection with an application for licensing, the
12 applicant may be required, at a minimum, to furnish to the
13 Nationwide Multistate Licensing System and Registry
14 information concerning the applicant's identity, including:

15 (1) fingerprints for submission to the Federal Bureau
16 of Investigation or any governmental agency or entity
17 authorized to receive such information for a State,
18 national, and international criminal history background
19 check; and

20 (2) personal history and experience in a form
21 prescribed by the Nationwide Multistate Licensing System
22 and Registry, including the submission of authorization
23 for the Nationwide Multistate Licensing System and
24 Registry and the Secretary to obtain:

25 (A) an independent credit report obtained from a
26 consumer reporting agency described in Section 603(p)

1 of the Fair Credit Reporting Act, 15 U.S.C. 1681a(p);
2 and

3 (B) information related to any administrative,
4 civil, or criminal findings by any governmental
5 jurisdiction.

6 (d) For the purposes of this Section, and in order to
7 reduce the points of contact that the Federal Bureau of
8 Investigation may have to maintain for purposes of subsection
9 (c), the Secretary may use the Nationwide Multistate Licensing
10 System and Registry as a channeling agent for requesting
11 information from and distributing information to the federal
12 Department of Justice or any governmental agency.

13 (e) For the purposes of this Section, and in order to
14 reduce the points of contact that the Secretary may have to
15 maintain for purposes of paragraph (2) of subsection (c), the
16 Secretary may use the Nationwide Multistate Licensing System
17 and Registry as a channeling agent for requesting and
18 distributing information to and from any source as directed by
19 the Secretary.

20 Section 5-25. Prohibited acts and practices for licensees.

21 (a) It is a violation of this Act for a licensee subject to
22 this Act to:

23 (1) fail to file with the Secretary or Nationwide
24 Multistate Licensing System and Registry, as applicable,
25 when due, any report or reports that it is required to file

1 under any of the provisions of this Act;

2 (2) commit a crime against the law of this State, any
3 other state, or of the United States involving moral
4 turpitude or fraudulent or dishonest dealing, and that no
5 final judgment has been entered against it in a civil
6 action upon grounds of fraud, misrepresentation, or deceit
7 that has not been previously reported to the Secretary;

8 (3) engage in any conduct that would be cause for
9 denial of a license;

10 (4) become insolvent;

11 (5) submit an application for a license under this Act
12 that contains a material misstatement;

13 (6) demonstrate by course of conduct, negligence, or
14 incompetence in performing any act for which it is
15 required to hold a license under this Act;

16 (7) fail to advise the Secretary in writing or the
17 Nationwide Multistate Licensing System and Registry, as
18 applicable, of any changes to the information submitted on
19 the most recent application for license or averments of
20 record within 30 days after the change; the written notice
21 must be signed in the same form as the application for the
22 license being amended;

23 (8) fail to comply with the provisions of this Act and
24 with any lawful order, rule, or regulation made or issued
25 under the provisions of this Act;

26 (9) fail to submit to periodic examination by the

1 Secretary as required by this Act; and

2 (10) fail to advise the Secretary in writing of
3 judgments entered against and bankruptcy petitions by the
4 license applicant within 5 days after the occurrence.

5 (b) A licensee who fails to comply with this Section or
6 otherwise violates any of the provisions of this Section shall
7 be subject to the penalties in Section 30-30.

8 Section 5-30. Refusal to issue license. The Secretary
9 shall refuse to issue or renew a license if:

10 (1) it is determined that the applicant is not in
11 compliance with any provisions of this Act;

12 (2) there is substantial continuity between the
13 applicant and any violator of this Act; or

14 (3) the Secretary cannot make the findings specified
15 in subsection (a) of Section 5-10.

16 Section 5-35. License issuance and renewal; fees.

17 (a) Licenses shall be renewed every year using the common
18 renewal date of the Nationwide Multistate Licensing System and
19 Registry, as adopted by the Secretary. Properly completed
20 renewal application forms and filing fees may be received by
21 the Secretary 60 days before the license expiration date, but,
22 to be deemed timely, the completed renewal application forms
23 and filing fees must be received by the Secretary no later than
24 30 days before the license expiration date.

1 (b) It shall be the responsibility of each licensee to
2 accomplish renewal of its license. Failure by a licensee to
3 submit a properly completed renewal application form and fees
4 in a timely fashion, absent a written extension from the
5 Secretary, shall result in the license becoming inactive.

6 (c) No activity regulated by this Act shall be conducted
7 by the licensee when a license becomes inactive. An inactive
8 license may be reactivated by the Secretary upon payment of
9 the renewal fee and payment of a reactivation fee equal to the
10 renewal fee.

11 (d) A licensee ceasing an activity regulated by this Act
12 and desiring to no longer be licensed shall so inform the
13 Secretary in writing and, at the same time, convey any license
14 issued and all other symbols or indicia of licensure. The
15 licensee shall include a plan for the withdrawal from
16 regulated business, including a timetable for the disposition
17 of the business, and comply with the surrender guidelines or
18 requirements of the Secretary. Upon receipt of such written
19 notice, the Secretary shall post the cancellation or issue a
20 certified statement canceling the license.

21 (e) The expenses of administering this Act, including
22 investigations and examinations provided for in this Act,
23 shall be borne by and assessed against entities regulated by
24 this Act. Subject to the limitations set forth in Section
25 5-10, the Department shall establish fees by rule in at least
26 the following categories:

- 1 (1) investigation of licensees and license
- 2 applicant fees;
- 3 (2) examination fees;
- 4 (3) contingent fees; and
- 5 (4) such other categories as may be required to
- 6 administer this Act.

7 Article 10. Supervision

8 Section 10-5. Functions; powers; duties.

9 The functions, powers, and duties of the Secretary shall
10 include the following:

- 11 (1) to issue or refuse to issue any license as
- 12 provided by this Act;
- 13 (2) to revoke or suspend for cause any license issued
- 14 under this Act;
- 15 (3) to keep records of all licenses issued under this
- 16 Act;
- 17 (4) to receive, consider, investigate, and act upon
- 18 complaints made by any person in connection with any
- 19 pawnbroker licensee in this State;
- 20 (5) to prescribe the forms of and receive:
 - 21 (A) applications for licenses; and
 - 22 (B) all reports and all books and records required
 - 23 to be made by any licensee under this Act;
- 24 (6) to adopt rules necessary and proper for the

1 administration of this Act;

2 (7) to subpoena documents and witnesses and compel
3 their attendance and production, to administer oaths and
4 affirmations, and to require the production of any books,
5 papers, or other materials relevant to any inquiry
6 authorized by this Act;

7 (8) to issue orders against any person, including, but
8 not limited to, any officer, director, employee,
9 prospective employee, or agent of the licensee, if the
10 Secretary has reasonable cause to believe that an unsafe,
11 unsound, or unlawful practice has occurred, is occurring,
12 or is about to occur; if any person has violated, is
13 violating, or is about to violate any law, rule, or
14 written agreement with the Secretary; or for the purpose
15 of administering the provisions of this Act and any rule
16 adopted in accordance with this Act;

17 (9) to address any inquiries to any licensee, or the
18 officers thereof, in relation to its activities and
19 conditions, or any other matter connected with its
20 affairs, and it shall be the duty of any licensee or person
21 so addressed to promptly reply in writing to those
22 inquiries; the Secretary may also require reports from any
23 licensee at any time the Secretary may deem desirable;

24 (10) to examine the books and records of every
25 licensee under this Act;

26 (11) to enforce provisions of this Act;

1 (12) to levy fees, fines, and charges for services
2 performed in administering this Act; the aggregate of all
3 fees collected by the Secretary on and after the effective
4 date of this Act shall be paid promptly after receipt,
5 accompanied by a detailed statement thereof, into the
6 Pawnbroker Regulation Fund under Section 10-10; the
7 amounts deposited into that Fund shall be used for the
8 ordinary and contingent expenses of the Department;
9 nothing in this Act shall prevent the continuation of the
10 practice of paying expenses involving salaries,
11 retirement, social security, and State-paid insurance of
12 State officers by appropriation from the General Revenue
13 Fund;

14 (13) to appoint examiners, supervisors, experts, and
15 special assistants as needed to effectively and
16 efficiently administer this Act;

17 (14) to conduct hearings for the purpose of:

18 (A) appeals of orders of the Secretary;

19 (B) suspensions or revocations of licenses, or
20 fining of licensees;

21 (C) investigating complaints against licensees;

22 and

23 (D) carrying out the purposes of this Act;

24 (15) to exercise exclusive visitorial power over a
25 licensee unless otherwise authorized by this Act or as
26 vested in the courts;

1 (16) to assign on an emergency basis an examiner or
2 examiners to monitor the affairs of a licensee with
3 whatever frequency the Secretary determines appropriate
4 and to charge the licensee for reasonable and necessary
5 expenses of the Secretary, if in the opinion of the
6 Secretary an emergency exists or appears likely to occur;

7 (17) to impose civil penalties of up to \$50 per day
8 against a licensee for failing to respond to a regulatory
9 request or reporting requirement;

10 (18) to enter into agreements in connection with the
11 Nationwide Multistate Licensing System and Registry; and

12 (19) to perform any other lawful acts necessary or
13 desirable to carry out the purposes and provisions of this
14 Act.

15 Section 10-10. Pawnbroker Regulation Fund. The Pawnbroker
16 Regulation Fund, which was established by Public Act 90-477,
17 shall continue to be a special fund in the State treasury. All
18 moneys received by the Secretary under this Act in conjunction
19 with the provisions relating to pawnbrokers shall be deposited
20 into the Pawnbroker Regulation Fund and used for the
21 administration of this Act. Moneys in the Pawnbroker
22 Regulation Fund may be transferred to the Professions Indirect
23 Cost Fund, as authorized under Section 2105-300 of the
24 Department of Professional Regulation Law of the Civil
25 Administrative Code of Illinois.

1 Section 10-15. Examination; prohibited activities.

2 (a) The business affairs of a licensee under this Act
3 shall be examined for compliance with this Act as often as the
4 Secretary deems necessary and proper. The Department may adopt
5 rules with respect to the frequency and manner of examination.
6 The Secretary shall appoint a suitable person to perform such
7 examination. The Secretary and his or her appointees may
8 examine the entire books, records, documents, and operations
9 of each licensee and its subsidiary, affiliate, or agent, and
10 may examine any of the licensee's or its subsidiary's,
11 affiliate's, or agent's officers, directors, employees, and
12 agents under oath or affirmation.

13 (b) The Secretary shall prepare a sufficiently detailed
14 report of each licensee's examination, shall issue a copy of
15 the report to each licensee's principals, officers, or
16 directors, and shall take appropriate steps to ensure
17 correction of violations of this Act.

18 (c) Affiliates of a licensee shall be subject to
19 examination by the Secretary on the same terms as the
20 licensee, but only if reports from or examination of a
21 licensee provides for documented evidence of unlawful activity
22 between a licensee and affiliate benefiting, affecting, or
23 deriving from the activities regulated by this Act.

24 (d) The expenses of any examination of the licensee and
25 affiliates shall be borne by the licensee and assessed by the

1 Secretary as may be established by rule.

2 (e) Upon completion of the examination, the Secretary
3 shall issue a report to the licensee. All confidential
4 supervisory information, including the examination report and
5 the work papers of the report, shall belong to the Secretary's
6 office and may not be disclosed to anyone other than the
7 licensee, law enforcement officials or other regulatory
8 agencies that have an appropriate regulatory interest as
9 determined by the Secretary, or to a party presenting a lawful
10 subpoena to the Department. The Secretary may, through the
11 Attorney General, immediately appeal to the court of
12 jurisdiction the disclosure of such confidential supervisory
13 information and seek a stay of the subpoena pending the
14 outcome of the appeal. Reports required of licensees by the
15 Secretary under this Act and results of examinations performed
16 by the Secretary under this Act shall be the property of only
17 the Secretary, but may be shared with the licensee. Access
18 under this Act to the books and records of each licensee shall
19 be limited to the Secretary and his or her agents as provided
20 in this Act and to the licensee and its authorized agents and
21 designees. No other person shall have access to the books and
22 records of a licensee under this Act. Any person upon whom a
23 demand for production of confidential supervisory information
24 is made, whether by subpoena, order, or other judicial or
25 administrative process, must withhold production of the
26 confidential supervisory information and must notify the

1 Secretary of the demand, at which time the Secretary is
2 authorized to intervene for the purpose of enforcing the
3 limitations of this Section or seeking the withdrawal or
4 termination of the attempt to compel production of the
5 confidential supervisory information. The Secretary may impose
6 any conditions and limitations on the disclosure of
7 confidential supervisory information that are necessary to
8 protect the confidentiality of that information. Except as
9 authorized by the Secretary, no person obtaining access to
10 confidential supervisory information may make a copy of the
11 confidential supervisory information. The Secretary may
12 condition a decision to disclose confidential supervisory
13 information on entry of a protective order by the court or
14 administrative tribunal presiding in the particular case or on
15 a written agreement of confidentiality. In a case in which a
16 protective order or agreement has already been entered between
17 parties other than the Secretary, the Secretary may
18 nevertheless condition approval for release of confidential
19 supervisory information upon the inclusion of additional or
20 amended provisions in the protective order. The Secretary may
21 authorize a party who obtained the records for use in one case
22 to provide them to another party in another case, subject to
23 any conditions that the Secretary may impose on either or both
24 parties. The requester shall promptly notify other parties to
25 a case of the release of confidential supervisory information
26 obtained and, upon entry of a protective order, shall provide

1 copies of confidential supervisory information to the other
2 parties.

3 (f) The Secretary and employees of the Department shall be
4 subject to the restrictions provided in Section 2.5 of the
5 Division of Banking Act, including, without limitation, the
6 restrictions on:

7 (1) owning shares of stock or holding any other equity
8 interest in an entity regulated under this Act or in any
9 corporation or company that owns or controls an entity
10 regulated under this Act;

11 (2) being an officer, director, employee, or agent of
12 an entity regulated under this Act; and

13 (3) obtaining a pawn or accepting a gratuity from an
14 entity regulated under this Act.

15 Section 10-20. Subpoena power of the Secretary.

16 (a) The Secretary shall have the power to issue and to
17 serve subpoenas and subpoenas duces tecum to compel the
18 attendance of witnesses and the production of all books,
19 accounts, records, and other documents and materials relevant
20 to an examination or investigation. The Secretary, or his or
21 her duly authorized representative, shall have power to
22 administer oaths and affirmations to any person.

23 (b) In the event of noncompliance with a subpoena or
24 subpoena duces tecum issued or caused to be issued by the
25 Secretary, the Secretary may, through the Attorney General,

1 petition the circuit court of the county in which the person
2 subpoenaed resides or has its principal place of business for
3 an order requiring the subpoenaed person to appear and testify
4 and to produce such books, accounts, records, and other
5 documents as are specified in the subpoena duces tecum. The
6 court may grant injunctive relief restraining the person from
7 advertising, promoting, soliciting, entering into, offering to
8 enter into, continuing, or completing any pawn transaction.
9 The court may grant other relief, including, but not limited
10 to, the restraint, by injunction or appointment of a receiver,
11 of any transfer, pledge, assignment, or other disposition of
12 the person's assets or any concealment, alteration,
13 destruction, or other disposition of books, accounts, records,
14 or other documents and materials as the court deems
15 appropriate, until the person has fully complied with the
16 subpoena or subpoena duces tecum and the Secretary has
17 completed an investigation or examination.

18 (c) If it appears to the Secretary that the compliance
19 with a subpoena or subpoena duces tecum issued or caused to be
20 issued by the Secretary pursuant to this Section is essential
21 to an investigation or examination, the Secretary, in addition
22 to the other remedies provided for in this Act, may, through
23 the Attorney General, apply for relief to the circuit court of
24 the county in which the subpoenaed person resides or has its
25 principal place of business. The court shall thereupon direct
26 the issuance of an order against the subpoenaed person

1 requiring sufficient bond conditioned on compliance with the
2 subpoena or subpoena duces tecum. The court shall cause to be
3 endorsed on the order a suitable amount of bond or payment
4 pursuant to which the person named in the order shall be freed,
5 having a due regard to the nature of the case.

6 (d) In addition, the Secretary may, through the Attorney
7 General, seek a writ of attachment or an equivalent order from
8 the circuit court having jurisdiction over the person who has
9 refused to obey a subpoena, who has refused to give testimony,
10 or who has refused to produce the matters described in the
11 subpoena duces tecum.

12 Section 10-25. Inspection of records and reports required
13 of licensee.

14 (a) Inspection of records.

15 (1) The book or computer records, as well as every
16 article or other thing of value so pawned or pledged,
17 shall at all times be open to the inspection of the
18 Secretary, the sheriff of the county, his deputies, or any
19 members of the police force of any city in the county in
20 which such pawnbroker does business. In addition, the
21 Secretary shall be authorized to inspect the books or
22 records of any business he or she has reasonable cause to
23 believe is conducting pawn transactions and should be
24 licensed under this Act.

25 (2) The book or computer records, pawn tickets, or any

1 other records required by the Secretary under this Act or
2 any rule adopted in accordance with this Act shall be
3 maintained for a period of 3 years after the date on which
4 the record or ticket was prepared. These records and
5 tickets shall be open to inspection of the Secretary at
6 all times during the 3-year period.

7 (b) Daily report.

8 (1) Except as provided in paragraph (2) of this
9 subsection, it shall be the duty of every pawnbroker to
10 make out and deliver to the sheriff of the county in which
11 such pawnbroker does business, on each day before noon, a
12 legible and exact copy from the standard record book, as
13 required in subsection (a) of Section 15-25, that lists
14 all personal property and any other valuable thing
15 received on deposit or purchased during the preceding day,
16 including the exact time when received or purchased, and a
17 description of the person or person by whom left in
18 pledge, or from whom the same were purchased; however, in
19 cities or towns having 25,000 or more inhabitants, a copy
20 of the report shall at the same time also be delivered to
21 the superintendent of police or the chief police officer
22 of such city or town. The report may be made by computer
23 printout or input memory device if the format has been
24 approved by the local law enforcement agency.

25 (2) In counties with more than 3,000,000 inhabitants,
26 a pawnbroker must provide the daily report to the sheriff

1 only if the pawnshop is located in an unincorporated area
2 of the county. Pawnbrokers located in cities or towns in
3 such counties must deliver such reports to the
4 superintendent of police or the chief police officer of
5 the city or town.

6 (c) Report to the Secretary. The Secretary, as often as
7 the Secretary shall deem necessary or proper, may require a
8 pawnshop to submit a full and detailed report of its
9 operations including, but not limited to, the number of pawns
10 made, the amount advanced on pawn transactions, the number and
11 amount of pawns surrendered to law enforcement, and any
12 information required for purposes of reporting pursuant to
13 Section 10-60. The Secretary shall prescribe the form of the
14 report and establish the date by which the report must be
15 filed.

16 Section 10-30. Suspension; revocation of licenses; fines.

17 (a) Upon written notice to a licensee, the Secretary may
18 suspend or revoke any license issued pursuant to this Act if,
19 in the notice, he or she makes a finding of one or more of the
20 following:

21 (1) that through separate acts or an act or a course of
22 conduct, the licensee has violated any provisions of this
23 Act, any rule adopted by the Department, or any other law,
24 rule, or regulation of this State or the United States;

25 (2) that any fact or condition exists that, if it had

1 existed at the time of the original application for the
2 license, would have warranted the Secretary in refusing
3 originally to issue the license; or

4 (3) that if a licensee is not an individual, any
5 ultimate equitable owner, officer, director, or member of
6 the licensed partnership, association, corporation, or
7 other entity has acted or failed to act in a way that would
8 be cause for suspending or revoking a license to that
9 party as an individual.

10 (b) No license shall be suspended or revoked, except as
11 provided in this Section, nor shall any licensee be fined
12 without notice of his or her right to a hearing as provided in
13 Section 10-75.

14 (c) The Secretary, on good cause shown that an emergency
15 exists, may suspend any license for a period not exceeding 180
16 days, pending investigation.

17 (d) The provisions of subsection (d) of Section 5-35 shall
18 not affect a licensee's civil or criminal liability for acts
19 committed before surrender of a license.

20 (e) No revocation, suspension, or surrender of any license
21 shall impair or affect the obligation of any preexisting
22 lawful contract between the licensee and any person.

23 (f) Every license issued under this Act shall remain in
24 force and effect until the license expires without renewal, is
25 surrendered, is revoked, or is suspended in accordance with
26 the provisions of this Act, but the Secretary shall have

1 authority to reinstate a suspended license or to issue a new
2 license to a licensee whose license has been revoked if no fact
3 or condition then exists which would have warranted the
4 Secretary in refusing originally to issue that license under
5 this Act.

6 (g) Whenever the Secretary revokes or suspends a license
7 issued pursuant to this Act or fines a licensee under this Act,
8 he or she shall execute a written order to that effect. The
9 Secretary shall post notice of the order on an agency website
10 maintained by the Secretary or on the Nationwide Multistate
11 Licensing System and Registry and shall serve a copy of the
12 order upon the licensee. Any such order may be reviewed in the
13 manner provided by Section 10-75.

14 (h) If the Secretary finds any person in violation of the
15 grounds set forth in subsection (i), he or she may enter an
16 order imposing one or more of the following penalties:

17 (1) revocation of license;

18 (2) suspension of a license subject to reinstatement
19 upon satisfying all reasonable conditions the Secretary
20 may specify;

21 (3) placement of the licensee or applicant on
22 probation for a period of time and subject to all
23 reasonable conditions as the Secretary may specify;

24 (4) issuance of a reprimand;

25 (5) imposition of a fine not to exceed \$25,000 for
26 each count of separate offense; except that a fine may be

1 imposed not to exceed \$75,000 for each separate count of
2 offense of paragraph (2) of subsection (i); or

3 (6) denial of a license.

4 (i) The following acts shall constitute grounds for which
5 the disciplinary actions specified in subsection (h) may be
6 taken:

7 (1) being convicted or found guilty, regardless of
8 pendency of an appeal, of a crime in any jurisdiction that
9 involves fraud, dishonest dealing, or any other act of
10 moral turpitude;

11 (2) fraud, misrepresentation, deceit, or negligence in
12 any pawn transaction;

13 (3) a material or intentional misstatement of fact on
14 an initial or renewal application;

15 (4) insolvency or filing under any provision of the
16 federal Bankruptcy Code as a debtor;

17 (5) failure to account or deliver to any person any
18 property, such as any money, fund, deposit, check, draft,
19 or other document or thing of value, that has come into his
20 or her hands and that is not his or her property or that he
21 or she is not in law or equity entitled to retain, under
22 the circumstances and at the time which has been agreed
23 upon or is required by law or, in the absence of a fixed
24 time, upon demand of the person entitled to such
25 accounting and delivery;

26 (6) failure to disburse funds in accordance with

1 agreements;

2 (7) having a license, or the equivalent, to practice
3 any profession or occupation revoked, suspended, or
4 otherwise acted against, including the denial of licensure
5 by a licensing authority of this State or another state,
6 territory, or country for fraud, dishonest dealing, or any
7 other act of moral turpitude;

8 (8) failure to comply with an order of the Secretary
9 or rule made or issued under the provisions of this Act;

10 (9) engaging in activities regulated by this Act
11 without a current, active license unless specifically
12 exempted by this Act;

13 (10) failure to pay in a timely manner any fee,
14 charge, or fine under this Act;

15 (11) failure to maintain, preserve, and keep available
16 for examination all books, accounts, or other documents
17 required by the provisions of this Act and the rules of the
18 Secretary;

19 (12) refusing, obstructing, evading, or unreasonably
20 delaying an investigation, information request, or
21 examination authorized under this Act, or refusing,
22 obstructing, evading, or unreasonably delaying compliance
23 with the Secretary's subpoena or subpoena duces tecum; and

24 (13) failure to comply with or a violation of any
25 provision of this Act.

26 (j) A licensee shall be subject to the disciplinary

1 actions specified in this Act for violations of subsection (i)
2 by any officer, director, shareholder, joint venture, partner,
3 ultimate equitable owner, or employee of the licensee.

4 (k) A licensee shall be subject to suspension or
5 revocation for unauthorized employee actions only if there is
6 a pattern of repeated violations by employees or the licensee
7 has knowledge of the violations or there is substantial harm
8 to a consumer.

9 (l) Procedures for surrender of a license include the
10 following:

11 (1) The Secretary may, after 10 days' notice by
12 certified mail to the licensee at the address set forth on
13 the license, stating the contemplated action and in
14 general the grounds for the contemplated action and the
15 date, time, and place of a hearing thereon, and after
16 providing the licensee with a reasonable opportunity to be
17 heard at the hearing before the action, fine such licensee
18 an amount not exceeding \$25,000 per violation, or revoke
19 or suspend any license issued under this Act if he or she
20 finds that:

21 (A) the licensee has failed to comply with any
22 provision of this Act or any order, decision, finding,
23 rule, regulation, or direction of the Department or
24 Secretary lawfully made pursuant to the authority of
25 this Act; or

26 (B) any fact or condition exists that, if it had

1 existed at the time of the original application for
2 the license, clearly would have warranted the
3 Secretary in refusing to issue the license.

4 (2) Any licensee may submit an application to
5 surrender a license, but, upon the Secretary approving the
6 surrender, it shall not affect the licensee's civil or
7 criminal liability for acts committed before surrender or
8 entitle the licensee to a return of any part of the license
9 fee.

10 Section 10-35. Investigation of complaints. The Secretary
11 shall maintain staff and facilities adequate to receive,
12 record, and investigate complaints and inquiries made by any
13 person concerning this Act and any licensees under this Act.
14 Each licensee shall open its books, records, documents, and
15 offices wherever situated to the Secretary or his or her
16 appointees as needed to facilitate such investigations.

17 Section 10-40. Additional investigation and examination
18 authority. In addition to any authority allowed under this
19 Act, the Secretary shall have the authority to conduct
20 investigations and examinations as follows:

21 (1) For purposes of initial licensing, license
22 renewal, license discipline, license conditioning, license
23 revocation or termination, or general or specific inquiry
24 or investigation to determine compliance with this Act,

1 the Secretary shall have the authority to access, receive,
2 and use any books, accounts, records, files, documents,
3 information, or evidence, including, but not limited to,
4 the following:

5 (A) criminal, civil, and administrative history
6 information, including nonconviction data as specified
7 in the Criminal Code of 2012;

8 (B) personal history and experience information,
9 including independent credit reports obtained from a
10 consumer reporting agency described in Section 603(p)
11 of the federal Fair Credit Reporting Act; and

12 (C) any other documents, information, or evidence
13 the Secretary deems relevant to the inquiry or
14 investigation, regardless of the location, possession,
15 control, or custody of the documents, information, or
16 evidence.

17 (2) For the purposes of investigating violations or
18 complaints arising under this Act or for the purposes of
19 examination, the Secretary may review, investigate, or
20 examine any licensee, individual, or person subject to
21 this Act as often as necessary in order to carry out the
22 purposes of this Act. The Secretary may direct, subpoena,
23 or order the attendance of and examine under oath or
24 affirmation all persons whose testimony may be required
25 about the pawn transactions or the business or subject
26 matter of any such examination or investigation, and may

1 direct, subpoena, or order the person to produce books,
2 accounts, records, files, and any other documents the
3 Secretary deems relevant to the inquiry.

4 (3) Each licensee, individual, or person subject to
5 this Act shall make available to the Secretary upon
6 request the books and records relating to the operations
7 of the licensee, individual, or person subject to this
8 Act. The Secretary shall have access to those books and
9 records and interview the officers, principals, employees,
10 independent contractors, agents, and customers of the
11 licensee, individual, or person subject to this Act
12 concerning their business.

13 (4) Each licensee, individual, or person subject to
14 this Act shall make or compile reports or prepare other
15 information as directed by the Secretary in order to carry
16 out the purposes of this Section, including, but not
17 limited to:

18 (A) accounting compilations;

19 (B) information lists and data concerning pawn
20 transactions in a format prescribed by the Secretary;
21 or

22 (C) other information deemed necessary to carry
23 out the purposes of this Section.

24 (5) In making any examination or investigation
25 authorized by this Act, the Secretary may control access
26 to any documents and records of the licensee or person

1 under examination or investigation. The Secretary may take
2 possession of the documents and records or place a person
3 in exclusive charge of the documents and records in the
4 place where they are usually kept. During the period of
5 control, no person shall remove or attempt to remove any
6 of the documents or records, except pursuant to a court
7 order or with the consent of the Secretary. Unless the
8 Secretary has reasonable grounds to believe the documents
9 or records of the licensee have been, or are at risk of
10 being altered or destroyed for purposes of concealing a
11 violation of this Act, the licensee or owner of the
12 documents and records shall have access to the documents
13 or records as necessary to conduct its ordinary business
14 affairs.

15 (6) In order to carry out the purposes of this
16 Section, the Secretary may:

17 (A) retain attorneys, accountants, or other
18 professionals and specialists as examiners, auditors,
19 or investigators to conduct or assist in the conduct
20 of examinations or investigations;

21 (B) enter into agreements or relationships with
22 other government officials or regulatory associations
23 in order to improve efficiencies and reduce regulatory
24 burden by sharing resources, standardized or uniform
25 methods or procedures, and documents, records,
26 information, or evidence obtained under this Section;

1 (C) use, hire, contract, or employ public or
2 privately available analytical systems, methods, or
3 software to examine or investigate the licensee,
4 individual, or person subject to this Act;

5 (D) accept and rely on examination or
6 investigation reports made by other government
7 officials, within or outside this State; or

8 (E) accept audit reports made by an independent
9 certified public accountant for the licensee,
10 individual, or person subject to this Act in the
11 course of that part of the examination covering the
12 same general subject matter as the audit and may
13 incorporate the audit report in the report of the
14 examination, report of investigation, or other writing
15 of the Secretary.

16 (7) The authority of this Section shall remain in
17 effect, whether such a licensee, individual, or person
18 subject to this Act acts or claims to act under any
19 licensing or registration law of this State or claims to
20 act without the authority.

21 (8) No licensee, individual, or person subject to
22 investigation or examination under this Section may
23 knowingly withhold, abstract, remove, mutilate, destroy,
24 or secrete any books, records, computer records, or other
25 information.

1 Section 10-45. Confidential information. In hearings
2 conducted under this Act, information presented into evidence
3 that was acquired by the licensee when serving any individual
4 in connection with a pawn transaction, including all financial
5 information of the individual, shall be deemed strictly
6 confidential and shall be made available only as part of the
7 record of a hearing under this Act or otherwise (i) when the
8 record is required, in its entirety, for purposes of judicial
9 review or (ii) upon the express written consent of the
10 individual served, or in the case of his or her death or
11 disability, the consent of his or her personal representative.

12 Section 10-50. Confidentiality.

13 (a) In order to promote more effective regulation and
14 reduce regulatory burden through supervisory information
15 sharing, except as otherwise provided in 12 U.S.C. Section
16 5111, the requirements under any federal law or State law
17 regarding the privacy or confidentiality of any information or
18 material provided to the Nationwide Multistate Licensing
19 System and Registry, and any privilege arising under federal
20 or State law, including the rules of any federal or State
21 court, with respect to such information or material, shall
22 continue to apply to information or material after the
23 information or material has been disclosed to the Nationwide
24 Multistate Licensing System and Registry. The information and
25 material may be shared with all State and federal regulatory

1 officials with pawnbroker industry oversight authority without
2 the loss of privilege or the loss of confidentiality
3 protections provided by federal law or State law.

4 (b) In order to promote more effective regulation and
5 reduce regulatory burden through supervisory information
6 sharing, the Secretary is authorized to enter agreements or
7 sharing into arrangements with other governmental agencies,
8 the Conference of State Bank Supervisors or other associations
9 representing governmental agencies as established by rule,
10 regulation, or order of the Secretary. The sharing of
11 confidential supervisory information or any information or
12 material described in subsection (a) pursuant to an agreement
13 or sharing arrangement shall not result in the loss of
14 privilege or the loss of confidentiality protections provided
15 by federal law or State law.

16 (c) In order to promote more effective regulation and
17 reduce regulatory burden through supervisory information
18 sharing, information or material that is subject to a
19 privilege or confidentiality under subsection (a) shall not be
20 subject to the following:

21 (1) disclosure under any State law governing the
22 disclosure to the public of information held by an officer
23 or an agency of the State; or

24 (2) subpoena, discovery, or admission into evidence,
25 in any private civil action or administrative process,
26 unless with respect to any privilege held by the

1 Nationwide Multistate Licensing System and Registry with
2 respect to the information or material, the person to whom
3 such information or material pertains waives, in whole or
4 in part, in the discretion of that person, that privilege.

5 (d) In order to promote more effective regulation and
6 reduce regulatory burden through supervisory information
7 sharing, any other law relating to the disclosure of
8 confidential supervisory information or any information or
9 material described in subsection (a) that is inconsistent with
10 subsection (a) shall be superseded by the requirements of this
11 Section to the extent the other law provides less
12 confidentiality or a weaker privilege.

13 Section 10-55. Reports of violations. Any person licensed
14 under this Act or any other person may report to the Secretary
15 any information to show that a person subject to this Act is or
16 may be in violation of this Act. A licensee who files a report
17 with the Department that another licensee is engaged in one or
18 more violations pursuant to this Act shall not be the subject
19 of disciplinary action by the Department, unless the
20 Department determines, by a preponderance of the evidence
21 available to the Department, that the reporting person
22 knowingly or recklessly participated in the violation that was
23 reported.

24 Section 10-60. Pawnbroker annual report.

1 (a) The Department shall, in conjunction with advice from
2 a professional association that represents 50 or more
3 licensees, issue an annual report, via an Internet-based
4 program, of aggregate pawnbroker activity within 180 days
5 after the beginning of the calendar year. The report shall
6 contain at a minimum:

7 (1) The number of licensed pawnbrokers.

8 (2) The total dollar amount financed.

9 (3) The total number of pawns for each value threshold
10 set forth in subsection (c) of Section 15-10.

11 (4) The total dollar amount of extensions.

12 (5) The total number of extensions for each value
13 threshold set forth in subsection (c) of Section 15-10.

14 (6) The average pawn dollar amount for each value
15 threshold set forth in subsection (c) of Section 15-10.

16 (7) The average monthly finance charge for each value
17 threshold set forth in subsection (c) of Section 15-10.

18 (8) The percentage of pawns surrendered to law
19 enforcement.

20 (9) The percentage of total pawns surrendered to law
21 enforcement by dollar amount.

22 (10) The percentage of pawns redeemed.

23 (11) The percentage of pawns extended.

24 (12) The total number of pawnbroker employees.

25 (13) The total number of licensees reporting.

26 (14) The total number of complaints received and

1 resolved by the Department.

2 (15) The total number of defaulted pawn transactions
3 reported to a credit bureau.

4 (16) The total number of defaulted pawn transactions
5 sent to a collection agency.

6 (17) The total number of defaulted pawn transactions
7 resulting in wage garnishment or legal action to collect.

8 (18) The total number of pawn transactions reported to
9 law enforcement.

10 (b) The Secretary may retain qualified persons to prepare
11 and report findings (1) identifying pawns and small dollar
12 loans that are available to Illinois consumers, (2) collecting
13 and analyzing pawns and loan-level data for small dollar
14 loans, and (3) compiling aggregate data and trends for pawns
15 and small dollar loans used by Illinois consumers. The
16 Secretary shall make the report available to the Governor, the
17 General Assembly, and the public.

18 In this subsection, "pawns and small dollar loans" means
19 pawns and lending products with a value of \$2,500 or less,
20 including, but not limited to, pawns, consumer installment
21 loans, and other extensions of credit, whether or not offered
22 by entities chartered or licensed in Illinois.

23 Section 10-65. Responsible pawnbroker training; pawnbroker
24 managers and employees.

25 (a) A person who manages or is an employee of a pawnbroker

1 that provides pawnbroker services and related functions shall
2 complete, within 90 days after commencing employment, a
3 minimum of 4 hours of training, which may be provided in a
4 classroom or seminar setting or via Internet-based online
5 learning programs, such training shall be provided at the
6 employer's expense and shall be provided by qualified vendor
7 approved by the Secretary. The training subjects shall be
8 established by rule, and may include the following:

9 (1) federal, State, and local laws, administrative
10 rules, and regulations that pertain to the business of
11 being a licensed pawnbroker under this Act;

12 (2) procedures for identifying possible fraudulent
13 transactions;

14 (3) anti-money laundering;

15 (4) store operations, maintenance of records,
16 inventory management, recording and reporting of serial
17 numbers;

18 (5) general product knowledge, including, but not
19 limited to, jewelry and firearms;

20 (6) identification, verification, and weighing of
21 precious metals;

22 (7) inspections by State and local licensing and law
23 enforcement authorities, including hold order procedures;

24 (8) the federal Military Lending Act;

25 (9) pawn forfeits; and

26 (10) security, risk, and crisis management.

1 (b) The training may be provided in a classroom or seminar
2 setting or via Internet-based online learning programs, as
3 established by rule. The substance of the training shall be
4 related to the work performed by the registered employee.

5 (c) In addition to the training provided for in
6 subsections (a), registered employees of a pawnbroker shall
7 complete an additional 4 hours of refresher training on
8 subjects to be determined by the employer each calendar year
9 commencing with the calendar year following the employee's
10 first employment anniversary date, which refresher training
11 may be site-specific and may be conducted on the job.

12 (d) It is the responsibility of the pawnbroker or the
13 Secretary-approved qualified vendor to certify, on a form
14 prescribed by the Secretary, that the employee has
15 successfully completed the basic and refresher training. The
16 original form or a copy shall be a permanent record of training
17 completed by the employee and shall be placed in the
18 employee's file with the employer for the period the employee
19 remains with the employer. The original form or a copy shall be
20 given to the employee when his or her employment is
21 terminated. Failure to return the original form or a copy to
22 the employee is grounds for disciplinary action. The employee
23 shall not be required to repeat the required training once the
24 employee has been issued the form. An employer may provide or
25 require additional training.

26 (e) It shall be the responsibility of the pawnbroker and

1 the Secretary-approved qualified training vendor to keep and
2 maintain a personal log of all training hours earned along
3 with sufficient documentation necessary for the Secretary to
4 verify the annual training completed for at least 5 years. The
5 personal training log and documentation shall be provided to
6 the Secretary in the same manner as other documentation and
7 records required under this Act.

8 (f) Notwithstanding any other professional license a
9 pawnbroker holds under this Act, no more than 8 hours of annual
10 training shall be required for any one year.

11 (g) The license of a pawnbroker whose managers or
12 employees fail to comply with this Section may be suspended or
13 revoked or may face other disciplinary action.

14 (h) The regulation of pawnbroker employee training is an
15 exclusive power and function of the State. A home rule unit may
16 not regulate pawnbroker employee training or require a
17 pawnbroker that is licensed by the State under this Act, or its
18 employees, to maintain licenses in addition to licensure under
19 the Act, to operate. This subsection is a denial and
20 limitation of home rule powers and functions under subsection
21 (h) of Section 6 of Article VII of the Illinois Constitution.

22 (i) Persons seeking the Secretary's approval to offer the
23 training required by subsection (a) may apply for such
24 approval between August 1 and August 31 every 4 years in a
25 manner prescribed by the Secretary.

26 (j) Persons seeking the Secretary's approval to offer the

1 training required by subsection (a) shall submit a
2 nonrefundable application fee of \$2,000 or a fee set by rule,
3 to be deposited into the Pawnbroker Regulation Fund. Any
4 changes made to the training module shall be approved by the
5 Secretary.

6 (k) The Secretary shall not unreasonably deny approval of
7 a training module, whether in-person or online, that meets all
8 the requirements of subsection (a). A denial of approval shall
9 include a detailed description of the reasons for the denial.

10 (l) A person approved to provide the training required by
11 subsection (a) shall submit an application for re-approval
12 between August 1 and August 31 of each even-numbered year and
13 include a nonrefundable application fee of \$2,000 or a fee set
14 by rule, to be deposited into the Pawnbroker Regulation Fund.

15 Section 10-70. Rules and regulations.

16 (a) In addition to such powers as may be prescribed by this
17 Act, the Department is hereby authorized and empowered to
18 adopt rules consistent with the purposes of this Act,
19 including, but not limited to:

20 (1) rules in connection with the activities of
21 licensees as may be necessary and appropriate for the
22 protection of consumers in this State;

23 (2) rules as may be necessary and appropriate to
24 define improper or fraudulent business practices in
25 connection with the activities of licensees in operating

1 as a pawnbroker;

2 (3) rules that define the terms used in this Act and as
3 may be necessary and appropriate to interpret and
4 implement the provisions of this Act; and

5 (4) rules as may be necessary for the enforcement of
6 this Act.

7 (b) The Secretary is hereby authorized and empowered to
8 make specific rulings, demands, and findings that he or she
9 deems necessary for the proper conduct of the pawnbroker
10 industry.

11 (c) A person or entity may make a written application to
12 the Department for a written interpretation of this Act. The
13 Department may then, in its sole discretion, choose to issue a
14 written interpretation. To be valid, a written interpretation
15 must be signed by the Secretary, or his or her designee, and
16 the Department's general counsel or his or her designee. A
17 written interpretation expires 2 years after the date that it
18 was issued.

19 (d) No provision in this Act that imposes liability or
20 establishes violations shall apply to any act taken by a
21 person or entity in conformity with a written interpretation
22 of this Act that is in effect at the time the act is taken,
23 notwithstanding whether the written interpretation is later
24 amended, rescinded, or determined by judicial or other
25 authority to be invalid for any reason.

1 Section 10-75. Appeal and review.

2 (a) Any person or entity affected by a decision of the
3 Secretary under any provision of this Act may obtain review of
4 that decision within the Department.

5 (b) The Department may, in accordance with the Illinois
6 Administrative Procedure Act, adopt rules to provide for
7 review within the Department of the Secretary's decisions
8 affecting the rights of entities under this Act. The review
9 shall provide for, at a minimum:

10 (1) appointment of a hearing officer other than a
11 regular employee of the Division of Banking;

12 (2) appropriate procedural rules, specific deadlines
13 for filings, and standards of evidence and of proof; and

14 (3) provision for apportioning costs among parties to
15 the appeal.

16 (c) All final agency determinations of appeals to
17 decisions of the Secretary may be reviewed in accordance with
18 and under the provisions of the Administrative Review Law.
19 Appeals from all final orders and judgments entered by a court
20 in review of any final administrative decision of the
21 Secretary or of any final agency review of a decision of the
22 Secretary may be taken as in other civil cases.

23 Section 10-80. Violations of this Act; Secretary's orders.

24 (a) If the Secretary finds, as the result of examination,
25 investigation, or review of reports submitted by a licensee,

1 that the business and affairs of a licensee are not being
2 conducted in accordance with this Act, the Secretary shall
3 notify the licensee of the correction necessary. If a licensee
4 fails to correct such violations, the Secretary shall issue an
5 order requiring immediate correction and compliance with this
6 Act, specifying a reasonable date for performance.

7 (b) The Department may adopt rules to provide for an
8 orderly and timely appeal of all orders within the Department.
9 The rules may include provision for assessment of fees and
10 costs.

11 Section 10-85. Collection of compensation. Unless exempt
12 from licensure under this Act, no person engaged in or
13 offering to engage in any act or service for which a license
14 under this Act is required may bring or maintain any action in
15 any court of this State to collect compensation for the
16 performance of the licensable services without alleging and
17 proving that he or she was the holder of a valid pawnbroker
18 license under this Act at all times during the performance of
19 those services.

20 Section 10-90. Injunction. The Secretary, through the
21 Attorney General, may maintain an action in the name of the
22 People of the State of Illinois and may apply for an injunction
23 in the circuit court to enjoin a person from engaging in
24 unlicensed pawnbroker activity, to restrain any person from

1 violating or continuing to violate any of the provisions of
2 this Act, or to file a complaint to take possession and control
3 of a pawnshop for the purpose of examination, reorganization,
4 or liquidation through receivership and to appoint a receiver,
5 which may be the Secretary, a pawnshop, or another suitable
6 person

7 Article 15. Pawn Customer Bill of Rights

8 Section 15-5. General provisions.

9 (a) It is unlawful for an individual or business entity to
10 conduct business in this State using the word "pawn",
11 "pawnshop", or "pawnbroker" in connection with the business or
12 to transact business in this State in a manner that has a
13 substantial likelihood of misleading the public by implying
14 that the business is a pawnshop, without first obtaining a
15 license from the Secretary. It shall be unlawful for any
16 business to advertise in a pawnbroker category, digitally or
17 in print without including that business's pawnbroker and
18 Nationwide Multistate Licensing System and Registry license
19 number.

20 (b) It is unlawful for an entity licensed under this Act to
21 do any of the following:

22 (1) Engage, have engaged, or propose to engage in any
23 unlawful, unfair, deceptive, or abusive act or practice
24 with respect to financial products or services.

1 (2) Offer or provide to a consumer any financial
2 product or service not in conformity with this Act or
3 otherwise commit any act or omission in violation of a
4 financial law.

5 (3) Fail or refuse, as required by this Act or any rule
6 or order issued by the Department hereunder, to do any of
7 the following:

8 (A) Permit the Department to access or copy
9 records.

10 (B) Establish or maintain records.

11 (C) Make reports or provide information to the
12 Department.

13 Section 15-10. Fees.

14 (a) It is unlawful for any pawnbroker to charge or collect
15 a greater benefit or percentage upon money advanced, and for
16 the use and forbearance thereof, than the amount specified in
17 subsection (c). Nothing in this Section shall be construed to
18 conflict with the law pertaining to usury and the person
19 receiving money so advanced may hold the moneys to pay any fees
20 in addition to interest.

21 (b) Each pawnbroker, when making a pawn under this
22 Section, must disclose in printed form on the pawn contract
23 the following information to the persons receiving the pawn:

24 (1) the amount of money advanced, which must be
25 designated as the amount pawned;

1 (2) the maturity date of the pawn, which must be at
2 least 30 days after the originating date of the pawn;

3 (3) the total pawn interest and service charge payable
4 on the maturity date, which must be designated as the
5 finance charge;

6 (4) the total of payments that must be paid to redeem
7 the pledged goods on the maturity date, which must be
8 designated as the total of payments; and

9 (5) the annual percentage rate, computed according to
10 the regulations adopted by the Consumer Financial
11 Protection Bureau under the federal Truth in Lending Act.

12 (c) Each pawnbroker may contract for and receive a monthly
13 finance charge, including interest and fees not to exceed
14 one-fifth of the pawn amount for pawns under \$500; one-sixth
15 of the pawn amount for pawns at or above \$500 and less than
16 \$1,500; one-eighth of the pawn amount for pawns at or above
17 \$1,500 and less than \$5,000; and one-twentieth of the pawn
18 amount for pawns at or above \$5,000, pursuant to Section
19 15-30, for appraising, investigating title, storing, insuring
20 the pledged property, making daily reports to local law
21 enforcement including enhanced computerized reporting, and
22 complying with regulatory requirements. Such fees, when made
23 and collected, shall not be deemed interest for any purpose of
24 law. A pawnbroker shall not require a customer to pay such fees
25 by means of an electronic fund transfer, as that term is
26 defined in Section 10 of the Electronic Fund Transfer Act,

1 including through the use of an automated clearinghouse
2 system.

3 (d) Notwithstanding any inconsistent provision of law, a
4 pawn transaction made pursuant to this Act shall be exempt
5 from the provisions of the Predatory Loan Prevention Act.

6 Section 15-15. Display of fee provision. Every pawnbroker
7 shall at all times have and keep Section 15-10 printed in the
8 English and Spanish languages and framed and posted in a
9 prominent and conspicuous position in its place of business,
10 so that the same shall be plainly legible and visible to all
11 persons depositing or pledging property with such pawnbroker.

12 Section 15-20. Disclosure of article description and pawn
13 terms.

14 (a) Every pawnbroker shall, at the time of making any
15 advancement or pawn, deliver to the person pawning or pledging
16 any property, a memorandum, contract, or note signed by the
17 person pawning the property containing an accurate account and
18 description, in the English language, of the following:

19 (1) All the goods, articles or other things pawned or
20 pledged.

21 (2) The amount of money and the time of pledging the
22 same.

23 (3) The rate of interest to be paid on the pawn.

24 (4) The name and residence of the person making the

1 pawn or pledge.

2 (5) The dollar amount of any fees as specified in
3 Section 15-10.

4 (6) A disclosure that by extending the pawn, the fees
5 may exceed the value of the item pawned.

6 (b) The Secretary may adopt rules prescribing the form and
7 content of the disclosures required by subsection (a).

8 Section 15-25. Record requirements.

9 (a) Except in municipalities located in counties having
10 3,000,000 or more inhabitants, every pawnbroker shall keep a
11 standard record book that has been approved by the sheriff of
12 the county in which the pawnbroker does business. In
13 municipalities in counties with 3,000,000 or more inhabitants,
14 the record book shall be approved by the police department of
15 the municipality in which the pawnbroker does business. At the
16 time of each and every pawn or purchase, an accurate account
17 and description, in the English language, of each of the items
18 listed in subsection (a) of Section 15-20 shall be printed,
19 typed, or written in ink in the record book. Such entry shall
20 include the serial number or identification number of items
21 received that bear such number. Except for items purchased
22 from dealers possessing a federal employee identification
23 number who have provided a receipt to the pawnbroker, every
24 pawnbroker shall also record in his book, an accurate account
25 and description, in the English language, of all goods,

1 articles, and other things purchased or received for the
2 purpose of resale or items pawned by the pawnbroker from any
3 source, including other pawnshop locations owned by the same
4 pawnbroker, not in the course of a pledge or pawn, the time of
5 such purchase or receipt and the name and address of the person
6 or business which sold or delivered such goods, articles, or
7 other things to the pawnbroker. No entry in such book shall be
8 erased, mutilated, or changed.

9 (b) Every pawnbroker shall require identification to be
10 shown by each person selling or pawning any goods, articles,
11 or other things to the pawnbroker. If the identification shown
12 is a driver's license, State identification card, or consular
13 identification card and contains a photograph of the person
14 being identified, only one form of identification must be
15 shown. If the identification shown is not a driver's license,
16 State identification card, or consular identification card or
17 does not contain a photograph, 2 forms of identification must
18 be shown, and one of the 2 forms of identification must include
19 the person's residence address. These forms of identification
20 shall include, but not be limited to, any of the following:
21 passport, driver's license, social security card, utility
22 bill, employee or student identification card, credit card, or
23 a civic, union, or professional association membership card.
24 In addition, in a municipality with a population of 1,000,000
25 or more inhabitants, if the customer does not have an
26 identification issued by a governmental entity containing a

1 photograph of the person being identified, the pawnbroker
2 shall photograph the customer in color and record the
3 customer's name, residence address, date of birth, gender,
4 height, and weight along with the photograph.

5 (c) A county or municipality, including a home rule unit,
6 may regulate a pawnbroker's identification requirements for
7 persons pledging or pawning goods, articles, or other things
8 to the pawnbroker in a manner that is not less restrictive than
9 the regulation by this State of a pawnbroker's identification
10 requirements for persons pledging or pawning goods, articles,
11 or other things. A home rule unit may not regulate a
12 pawnbroker's identification requirements for persons pledging
13 or pawning goods, articles, or other things to the pawnbroker
14 in a manner less restrictive than the regulation by this State
15 of a pawnbroker's identification requirements for persons
16 selling or pawning goods, articles, or other things. This
17 Section is a limitation under subsection (i) of Section 6 of
18 Article VII of the Illinois Constitution on the concurrent
19 exercise by home rule units of the powers and functions
20 exercised by this State.

21 (d) A pawnbroker may maintain the records required by
22 subsection (a) in computer form if the computer form has been
23 approved by the Secretary or his or her designee, the sheriff
24 of the county in which the shop is located, and the police
25 department of the municipality in which the shop is located.

26 (e) Records, including reports to the Secretary or his or

1 her designee, maintained by pawnbrokers shall be confidential,
2 and no disclosure of pawnbroker records shall be made, except
3 disclosures authorized by this Act or ordered by a court of
4 competent jurisdiction. No record transferred to a
5 governmental official shall be improperly disclosed, however,
6 use of those records as evidence of a felony or misdemeanor
7 shall be a proper purpose.

8 (f) Pawnbrokers and their associations may lawfully give
9 appropriate governmental agencies computer equipment for the
10 purpose of transferring information pursuant to this Act.

11 Section 15-30. Replacement of articles or property;
12 insurance.

13 (a) If any articles or property pledged are lost or
14 rendered inoperable, the pawnbroker shall replace the articles
15 or property with identical articles or property, except that
16 if the pawnbroker cannot reasonably obtain identical articles
17 or property, the pawnbroker shall replace the articles or
18 property with like articles or property.

19 (b) No pawnbroker shall conduct business in this State,
20 unless the pawnbroker maintains insurance coverage covering
21 all hazards equal to at least 2 times the aggregate value of
22 the outstanding pawns for items held in pawn. Such insurance
23 shall be obtained from an insurance company authorized to do
24 business in Illinois.

25 (c) The pawnbroker shall file a copy of proof of insurance

1 coverage with the Secretary. A pawnbroker or an insurance
2 company shall not cancel the insurance coverage, except upon
3 notice to the Secretary by certified mail, return receipt
4 requested. The cancellation is not effective until 30 days
5 after the Secretary receives the notice.

6 Section 15-35. Minors. No pawnbroker shall purchase, take,
7 or receive any pawn, any property of any kind from any minor
8 who is under 18 years of age, or the ownership of which is in,
9 or which is claimed by, any such minor, or which may be in the
10 possession or under the control of any such minor.

11 Section 15-40. Intoxicated persons; persons convicted of
12 theft. No pawnbroker shall knowingly or recklessly purchase or
13 take any article in pawn or purchase from any person appearing
14 to be intoxicated, nor from any person known to have been
15 convicted of theft. A law enforcement officer may provide such
16 criminal conviction information to a pawnbroker. Such
17 information must be provided in writing.

18 Section 15-45. Altered property; serial number and
19 manufacturer's identification number.

20 (a) No pawnbroker shall receive or purchase any article if
21 the manufacturer's make, model, or serial number, personal
22 identification number, or identifying marks engraved or etched
23 upon an item of personal property has been removed, altered,

1 or obliterated.

2 (b) The prohibition in subsection (a) does not apply if
3 the article's manufacturer's make, model, or serial number,
4 personal identification number, or identifying marks have been
5 worn in the ordinary course of use. However, no article
6 described in this subsection (b) shall be sold or transferred
7 to another pawnshop location of such pawnbroker for a period
8 of 15 days after the delivery of the copy and statement
9 required by subsection (b) of Section 10-25 required to be
10 delivered to the officer or officers named therein.

11 Section 15-50. Sale of property.

12 (a) No personal property pledged or received on deposit by
13 any pawnbroker shall be permitted to be redeemed from such
14 pawnbroker for a period of 48 hours after the delivery of the
15 copy and statement required by subsection (b) of Section 10-25
16 to be delivered to the officer or officers named therein.

17 (b) No personal property purchased by any pawnbroker shall
18 be sold or removed from the place of business or transferred to
19 another pawnshop location of such pawnbroker for a period of
20 10 days after the delivery of the copy and statement required
21 by subsection (b) of Section 10-25 to be delivered to the
22 officer or officers named therein.

23 (c) If the pawner fails to repay or extend the pawn during
24 the period specified on the pawn ticket, the pawnbroker shall
25 automatically extend a grace period of 30 days after the

1 default date on the pawn during which the pawnbroker shall not
2 dispose of or sell the personal property pawned. The parties
3 may agree to extend or renew a pawn upon terms agreed upon by
4 the parties, if the terms comply with the requirements of this
5 Act. Title to the pledged property transfers to the pawnbroker
6 after the default date grace period expires or upon expiration
7 of an agreed extension.

8 (d) A county or municipality, including a home rule unit,
9 may regulate holding periods in a manner that is more
10 restrictive than the regulation provided in this Section.

11 (e) A home rule unit may not regulate the holding periods
12 in this Section in a manner less restrictive than the
13 regulation by this State. This Section is a limitation under
14 subsection (i) of Section 6 of Article VII of the Illinois
15 Constitution on the concurrent exercise by home rule units of
16 the powers and functions exercised by this State.

17 Section 15-55. Hold order.

18 (a) For the purposes of this Section, "hold order" means a
19 written legal instrument issued to a pawnbroker by a law
20 enforcement officer commissioned by the law enforcement agency
21 of the municipality or county that licenses and regulates the
22 pawnbroker, evidencing a criminal law enforcement
23 investigation, and ordering the pawnbroker to retain physical
24 possession of pawned goods in the possession of the pawnbroker
25 or property purchased by and in the possession of the

1 pawnbroker and to not return, sell, or otherwise dispose of
2 such property as such property is believed to be
3 misappropriated goods.

4 (b) Upon written notice from a law enforcement officer
5 indicating that property in the possession of a pawnbroker and
6 subject to a hold order is needed for the purpose of furthering
7 a criminal investigation and prosecution, the pawnbroker shall
8 release the property subject to the hold order to the custody
9 of the law enforcement officer for such purpose and the law
10 enforcement officer shall provide a written acknowledgment
11 that the property has been released to the officer. The
12 release of the property to the custody of the law enforcement
13 officer shall not be considered a waiver or release of the
14 pawnbroker's property rights or interest in the property. Upon
15 completion of the criminal investigation, the property shall
16 be returned to the pawnbroker who consented to its release;
17 except that:

18 (1) if the criminal investigation took place within a
19 county or counties with a population of less than 300,000
20 and that investigation:

21 (A) has determined that the property is stolen
22 property,

23 (B) has determined that the fair market value of
24 the stolen property is \$500 or less,

25 (C) has identified the rightful owner of the
26 stolen property, and

1 (D) contains a court-admissible sworn statement by
2 the rightful owner that they are the true owners of the
3 stolen property, then law enforcement shall return the
4 property to that owner without the payment of the
5 money advanced by the pawnbroker or any costs or
6 charges of any kind that the pawnbroker may have
7 placed upon the same; or

8 (2) if the criminal investigation took place within a
9 county or counties with a population of more than 300,000
10 and that investigation:

11 (A) has determined that the property is stolen
12 property,

13 (B) has determined that the then-fair market value
14 of the stolen property is \$1,000 or less,

15 (C) has identified the rightful owner of the
16 stolen property, and

17 (D) contains a court-admissible sworn statement by
18 the rightful owner that they are the true owners of the
19 stolen property, then law enforcement shall return the
20 property to that owner without the payment of the
21 money advanced by the pawnbroker or any costs or
22 charges of any kind that the pawnbroker may have
23 placed upon the same.

24 (c) After the return of said property, the pawnbroker
25 shall not be liable to any private person or government entity
26 for any further claims on the returned property. Law

1 enforcement shall provide all information related to such
2 persons involved in the investigation to the pawnbroker,
3 including the investigative report, without the need for a
4 subpoena, court order, or further legal action of government
5 filing. The hold order shall expire on the 120th day after it
6 is issued, at which time the pawnbroker may exercise its
7 rights under any applicable pawn ticket or extension. If the
8 law enforcement officer has not completed the criminal
9 investigation within 120 days after the issuance of the hold
10 order, the officer shall immediately return any property in
11 law enforcement custody to the pawnbroker or obtain and
12 furnish to the pawnbroker a warrant for a maximum 120-day hold
13 order extension and, as applicable, continued law enforcement
14 custody of the property.

15 The pawnbroker shall not release or dispose of the
16 property, except pursuant to a court order or the expiration
17 of the holding period of the hold order, including all
18 extensions.

19 In cases where criminal charges have been filed and the
20 property may be needed as evidence, the prosecuting attorney
21 shall notify the pawnbroker in writing. The notice shall
22 contain the case number, the style of the case, and a
23 description of the property. The pawnbroker shall hold the
24 property until receiving notice of the disposition of the case
25 from the prosecuting attorney. The prosecuting attorney shall
26 notify the pawnbroker and claimant in writing within 15 days

1 after the disposition of the case.

2 (d) A hold order, and a foregoing notice of criminal
3 charges, must specify:

4 (1) the name and address of the pawnbroker;

5 (2) the law enforcement investigation number, the
6 name, title, and identification number of the law
7 enforcement officer placing the hold order or the court
8 placing the hold order;

9 (3) a complete description of the property to be held,
10 including model number and serial number if available, to
11 law enforcement;

12 (4) the name of the alleged owner or person reporting
13 the alleged misappropriated property, unless otherwise
14 prohibited by law;

15 (5) the mailing address of the pawnbroker where the
16 property is held; and

17 (6) the issuance and expiration date of the holding
18 period.

19 (e) The pawnbroker or the pawnbroker's representative must
20 sign and date a copy of the hold order as evidence of receipt
21 of the hold order and the beginning of the 120-day holding
22 period.

23 Article 20. Consumer Fraud Protections

24 Section 20-5. Enforcement; Consumer Fraud and Deceptive

1 Business Practices Act. The Attorney General may enforce a
2 violation of Article 15 of this Act as an unlawful practice
3 under the Consumer Fraud and Deceptive Business Practices Act.

4 Article 25. Transition provisions

5 Section 25-5. Savings provisions.

6 (a) This Act is intended to replace the Pawnbroker
7 Regulation Act in all respects.

8 (b) Beginning on the effective date of this Act, the
9 rights, powers, and duties exercised by the Department of
10 Financial and Professional Regulation under the Pawnbroker
11 Regulation Act shall continue to be vested in, to be the
12 obligation of, and to be exercised by the Department of
13 Financial and Professional Regulation under the provisions of
14 this Act.

15 (c) This Act does not affect any act done, ratified, or
16 cancelled, any right occurring or established, or any action
17 or proceeding commenced in an administrative, civil, or
18 criminal cause before the effective date of this Act by the
19 Department of Financial and Professional Regulation under the
20 Pawnbroker Regulation Act. Those actions or proceedings may be
21 prosecuted and continued by the Department of Financial and
22 Professional Regulation under this Act.

23 (d) This Act does not affect any license, certificate,
24 permit, or other form of licensure issued by the Department of

1 Financial and Professional Regulation under the Pawnbroker
2 Regulation Act. All such licenses, certificates, permits, or
3 other form of licensure shall continue to be valid under the
4 terms and conditions of this Act.

5 (e) The rules adopted by the Department of Financial and
6 Professional Regulation relating to the Pawnbroker Regulation
7 Act, unless inconsistent with the provisions of this Act, are
8 not affected by this Act, and on the effective date of this
9 Act, those rules become rules under this Act.

10 (f) This Act does not affect any discipline, suspension,
11 or termination that has occurred under the Pawnbroker
12 Regulation Act or other predecessor Act. Any action for
13 discipline, suspension, or termination instituted under the
14 Pawnbroker Regulation Act shall be continued under this Act.

15 Article 90. Amendatory Provisions

16 Section 90-5. The Division of Banking Act is amended by
17 changing Sections 2.5 and 5 as follows:

18 (20 ILCS 3205/2.5)

19 Sec. 2.5. Prohibited activities.

20 (a) For the purposes of this Section, "regulated entity"
21 means any person, business, company, corporation, institution,
22 or other entity who is subject to regulation by the Office of
23 Banks and Real Estate under Sections 3 and 46 of the Illinois

1 Banking Act, Section 1-5 of the Illinois Savings and Loan Act
2 of 1985, Section 1004 of the Savings Bank Act, Section 1-3 of
3 the Residential Mortgage License Act of 1987, Section 2-4 of
4 the Corporate Fiduciary Act, Section 3.02 of the Illinois Bank
5 Holding Company Act of 1957, the Savings and Loan Share and
6 Account Act, ~~Section 1.5 of~~ the Pawnbroker Regulation Act of
7 2023, Section 3 of the Foreign Banking Office Act, or Section
8 30 of the Electronic Fund Transfer Act.

9 (b) The Commissioner and the deputy commissioners shall
10 not be an officer, director, employee, or agent of a regulated
11 entity or of a corporation or company that owns or controls a
12 regulated entity.

13 The Commissioner and the deputy commissioners shall not
14 own shares of stock or hold any other equity interest in a
15 regulated entity or in a corporation or company that owns or
16 controls a regulated entity. If the Commissioner or a deputy
17 commissioner owns shares of stock or holds an equity interest
18 in a regulated entity at the time of appointment, he or she
19 shall dispose of such shares or other equity interest within
20 120 days from the date of appointment.

21 The Commissioner and the deputy commissioners shall not
22 directly or indirectly obtain a loan from a regulated entity
23 or accept a gratuity from a regulated entity that is intended
24 to influence the performance of official duties.

25 (c) Employees of the Office of Banks and Real Estate shall
26 not be officers, directors, employees, or agents of a

1 regulated entity or of a corporation or company that owns or
2 controls a regulated entity.

3 Except as provided by standards which the Office of Banks
4 and Real Estate may establish, employees of the Office of
5 Banks and Real Estate shall not own shares of stock or hold any
6 other equity interest in a regulated entity or in a
7 corporation or company that owns or controls a regulated
8 entity, or directly or indirectly obtain a loan from a
9 regulated entity, or accept a gratuity from a regulated entity
10 that is intended to influence the performance of official
11 duties. However, in no case shall an employee of the Office of
12 Banks and Real Estate participate in any manner in the
13 examination or direct regulation of a regulated entity in
14 which the employee owns shares of stock or holds any other
15 equity interest, or which is servicing a loan to which the
16 employee is an obligor.

17 (d) If the Commissioner, a deputy commissioner, or any
18 employee of the Office of Banks and Real Estate properly
19 obtains a loan or extension of credit from an entity that is
20 not a regulated entity, and the loan or extension of credit is
21 subsequently acquired by a regulated entity or the entity
22 converts to become a regulated entity after the loan is made,
23 such purchase by or conversion to a regulated entity shall not
24 cause the loan or extension of credit to be deemed a violation
25 of this Section.

26 Nothing in this Section shall be deemed to prevent the

1 ownership of a checking account, a savings deposit account, a
2 money market account, a certificate of deposit, a credit or
3 debit card account, or shares in open-end investment companies
4 registered with the Securities and Exchange Commission
5 pursuant to the federal Investment Company Act of 1940 and the
6 Securities Act of 1933 (commonly referred to as mutual or
7 money market funds).

8 (e) No Commissioner, deputy commissioner, employee, or
9 agent of the Office of Banks and Real Estate shall, either
10 during or after the holding of his or her term of office or
11 employment, disclose confidential information concerning any
12 regulated entity or person except as authorized by law or
13 prescribed by rule. "Confidential information", as used in
14 this Section, means any information that the person or officer
15 obtained during his or her term of office or employment that is
16 not available from the Office of Banks and Real Estate
17 pursuant to a request under the Freedom of Information Act.

18 (Source: P.A. 97-492, eff. 1-1-12.)

19 (20 ILCS 3205/5) (from Ch. 17, par. 455)

20 Sec. 5. Powers. In addition to all the other powers and
21 duties provided by law, the Commissioner shall have the
22 following powers:

23 (a) To exercise the rights, powers and duties formerly
24 vested by law in the Director of Financial Institutions under
25 the Illinois Banking Act.

1 (b) To exercise the rights, powers and duties formerly
2 vested by law in the Department of Financial Institutions
3 under "An act to provide for and regulate the administration
4 of trusts by trust companies", approved June 15, 1887, as
5 amended.

6 (c) To exercise the rights, powers and duties formerly
7 vested by law in the Director of Financial Institutions under
8 "An act authorizing foreign corporations, including banks and
9 national banking associations domiciled in other states, to
10 act in a fiduciary capacity in this state upon certain
11 conditions herein set forth", approved July 13, 1953, as
12 amended.

13 (c-5) To exercise all of the rights, powers, and duties
14 granted to the Director or Secretary under the Illinois
15 Banking Act, the Corporate Fiduciary Act, the Electronic Fund
16 Transfer Act, the Illinois Bank Holding Company Act of 1957,
17 the Savings Bank Act, the Illinois Savings and Loan Act of
18 1985, the Savings and Loan Share and Account Act, the
19 Residential Mortgage License Act of 1987, and the Pawnbroker
20 Regulation Act of 2023.

21 (c-15) To enter into cooperative agreements with
22 appropriate federal and out-of-state state regulatory agencies
23 to conduct and otherwise perform any examination of a
24 regulated entity as authorized under the Illinois Banking Act,
25 the Corporate Fiduciary Act, the Electronic Fund Transfer Act,
26 the Illinois Bank Holding Company Act of 1957, the Savings

1 Bank Act, the Illinois Savings and Loan Act of 1985, the
2 Residential Mortgage License Act of 1987, and the Pawnbroker
3 Regulation Act of 2023.

4 (d) Whenever the Commissioner is authorized or required by
5 law to consider or to make findings regarding the character of
6 incorporators, directors, management personnel, or other
7 relevant individuals under the Illinois Banking Act, the
8 Corporate Fiduciary Act, the Pawnbroker Regulation Act of
9 2023, or at other times as the Commissioner deems necessary
10 for the purpose of carrying out the Commissioner's statutory
11 powers and responsibilities, the Commissioner shall consider
12 criminal history record information, including nonconviction
13 information, pursuant to the Criminal Identification Act. The
14 Commissioner shall, in the form and manner required by the
15 Illinois State Police and the Federal Bureau of Investigation,
16 cause to be conducted a criminal history record investigation
17 to obtain information currently contained in the files of the
18 Illinois State Police or the Federal Bureau of Investigation,
19 provided that the Commissioner need not cause additional
20 criminal history record investigations to be conducted on
21 individuals for whom the Commissioner, a federal bank
22 regulatory agency, or any other government agency has caused
23 such investigations to have been conducted previously unless
24 such additional investigations are otherwise required by law
25 or unless the Commissioner deems such additional
26 investigations to be necessary for the purposes of carrying

1 out the Commissioner's statutory powers and responsibilities.
2 The Illinois State Police shall provide, on the Commissioner's
3 request, information concerning criminal charges and their
4 disposition currently on file with respect to a relevant
5 individual. Information obtained as a result of an
6 investigation under this Section shall be used in determining
7 eligibility to be an incorporator, director, management
8 personnel, or other relevant individual in relation to a
9 financial institution or other entity supervised by the
10 Commissioner. Upon request and payment of fees in conformance
11 with the requirements of Section 2605-400 of the Illinois
12 State Police Law, the Illinois State Police is authorized to
13 furnish, pursuant to positive identification, such information
14 contained in State files as is necessary to fulfill the
15 request.

16 (e) When issuing charters, permits, licenses, or other
17 authorizations, the Commissioner may impose such terms and
18 conditions on the issuance as he deems necessary or
19 appropriate. Failure to abide by those terms and conditions
20 may result in the revocation of the issuance, the imposition
21 of corrective orders, or the imposition of civil money
22 penalties.

23 (f) If the Commissioner has reasonable cause to believe
24 that any entity that has not submitted an application for
25 authorization or licensure is conducting any activity that
26 would otherwise require authorization or licensure by the

1 Commissioner, the Commissioner shall have the power to
2 subpoena witnesses, to compel their attendance, to require the
3 production of any relevant books, papers, accounts, and
4 documents, and to conduct an examination of the entity in
5 order to determine whether the entity is subject to
6 authorization or licensure by the Commissioner or the
7 Division. If the Secretary determines that the entity is
8 subject to authorization or licensure by the Secretary, then
9 the Secretary shall have the power to issue orders against or
10 take any other action, including initiating a receivership
11 against the unauthorized or unlicensed entity.

12 (g) The Commissioner may, through the Attorney General,
13 request the circuit court of any county to issue an injunction
14 to restrain any person from violating the provisions of any
15 Act administered by the Commissioner.

16 (h) Whenever the Commissioner is authorized to take any
17 action or required by law to consider or make findings, the
18 Commissioner may delegate or appoint, in writing, an officer
19 or employee of the Division to take that action or make that
20 finding.

21 (i) Whenever the Secretary determines that it is in the
22 public's interest, he or she may publish any cease and desist
23 order or other enforcement action issued by the Division.

24 (Source: P.A. 102-538, eff. 8-20-21.)

25 (205 ILCS 510/Act rep.)

1 Section 90-10. The Pawnbroker Regulation Act is repealed.

2 Section 90-15. The Uniform Commercial Code is amended by
3 changing Section 9-201 as follows:

4 (810 ILCS 5/9-201) (from Ch. 26, par. 9-201)

5 Sec. 9-201. General effectiveness of security agreement.

6 (a) General effectiveness. Except as otherwise provided in
7 the Uniform Commercial Code, a security agreement is effective
8 according to its terms between the parties, against purchasers
9 of the collateral, and against creditors.

10 (b) Applicable consumer laws and other law. A transaction
11 subject to this Article is subject to any applicable rule of
12 law, statute, or regulation which establishes a different rule
13 for consumers, including:

14 (1) the Retail Installment Sales Act;

15 (2) the Motor Vehicle Retail Installment Sales Act;

16 (3) Article II of Chapter 3 of the Illinois Vehicle
17 Code;

18 (4) Article IIIB of the Boat Registration and Safety
19 Act;

20 (5) the Pawnbroker Regulation Act of 2023;

21 (6) the Motor Vehicle Leasing Act;

22 (7) the Consumer Installment Loan Act; and

23 (8) the Consumer Deposit Security Act of 1987.

24 (c) Other applicable law controls. In case of conflict

1 between this Article and a rule of law, statute, or regulation
2 described in subsection (b), the rule of law, statute, or
3 regulation controls. Failure to comply with a rule of law,
4 statute, or regulation described in subsection (b) has only
5 the effect such rule of law, statute, or regulation specifies.

6 (d) Further deference to other applicable law. This
7 Article does not:

8 (1) validate any rate, charge, agreement, or practice
9 that violates a rule of law, statute, or regulation
10 described in subsection (b); or

11 (2) extend the application of the rule of law,
12 statute, or regulation to a transaction not otherwise
13 subject to it.

14 (Source: P.A. 91-893, eff. 7-1-01.)

15 Section 90-20. The Consumer Fraud and Deceptive Business
16 Practices Act is amended by adding Section 2BBBB as follows:

17 (815 ILCS 505/2BBBB new)

18 Sec. 2BBBB. Violations of the Pawnbroker Regulation Act of
19 2023. Any person who violates Article 15 of the Pawnbroker
20 Regulation Act of 2023 commits an unlawful practice within the
21 meaning of this Act.

22 Article 99. Severability; Effective Date

1 Section 99-97. Severability. The provisions of this Act
2 are severable under Section 1.31 of the Statute on Statutes.

3 Section 99-99. Effective date. This Act takes effect upon
4 becoming law.