

1 AN ACT concerning business.

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

4 Section 1. Findings. The General Assembly finds that the
5 need to protect homeowners from unscrupulous actors seeking to
6 take advantage of homeowners by soliciting mortgage
7 refinancing through deceptive practices is warranted,
8 particularly following the unethical practices that led to the
9 2008 subprime mortgage crisis. These protections will
10 especially serve new homeowners not familiar with the process
11 and elderly homeowners who may be more susceptible to
12 deceptive mortgage marketing materials. In addition, they will
13 serve to protect the homeowners' actual mortgage companies
14 that have no affiliation with the solicitors and have had no
15 part in helping the solicitors obtain the homeowners' mortgage
16 information.

17 Section 5. The Consumer Fraud and Deceptive Business
18 Practices Act is amended by changing Section 2AAA as follows:

19 (815 ILCS 505/2AAA)

20 Sec. 2AAA. Mortgage marketing materials.

21 (a) No person may send marketing materials to a consumer
22 indicating that the person is connected to the consumer's

1 mortgage company, indicating that there is a problem with the
2 consumer's mortgage, or stating that the marketing materials
3 contain information concerning the consumer's mortgage, unless
4 that person sending the marketing materials is actually
5 employed by the consumer's mortgage company or an affiliate of
6 the consumer's mortgage company.

7 (a-5) Any marketing materials from a mortgage company not
8 connected to the consumer's mortgage company must comply with
9 the following requirements:

10 (1) no language may be used to state or imply that any
11 response by a consumer who is not an existing customer is
12 required, imminently or otherwise, including, but not
13 limited to, the use of the terms "urgent", "action
14 required", "materials inspected", "time sensitive", or
15 "important account information enclosed";

16 (2) the name of the solicitor's mortgage company must
17 be prominently stated:

18 (A) in the body of the text;

19 (B) at the head of the letter or message in a font
20 bigger than the body of the text; and

21 (C) on any envelope;

22 (3) the name of the consumer's mortgage company may
23 not be used to state or insinuate in any way that the
24 marketing material is from the consumer's mortgage company
25 rather than the solicitor's mortgage company, and can only
26 be used in the body of the text and when accompanied by

1 clear language explaining that the solicitation is not
2 from or affiliated with the consumer's mortgage company,
3 and is merely a solicitation. The name of the consumer's
4 mortgage company shall not be visible through an envelope
5 window, appear on the envelope itself, or appear in an
6 email subject line; and

7 (4) the text must clearly state if the consumer's
8 mortgage company had no part in helping the solicitor
9 obtain the homeowner's mortgage information.

10 (b) Any person who violates this Section commits an
11 unlawful practice within the meaning of this Act.

12 (Source: P.A. 95-508, eff. 1-1-08; 95-876, eff. 8-21-08;
13 96-328, eff. 8-11-09.)