

1 AN ACT concerning regulation.

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

4 ARTICLE I. Title & Purpose

5 Section 1-1. Short title. This Act may be cited as the  
6 Uniform Money Transmission Modernization Act.

7 Section 1-2. Purpose.

8 (a) This Act is designed to replace existing State money  
9 transmission laws currently codified under the Transmitters of  
10 Money Act. It is the intent of the General Assembly that the  
11 provisions of this Act accomplish the following:

12 (1) ensure states can coordinate in all areas of  
13 regulation, licensing, and supervision to eliminate  
14 unnecessary regulatory burden and more effectively use  
15 regulator resources;

16 (2) protect the public from financial crime;

17 (3) standardize the types of activities that are  
18 subject to licensing or otherwise exempt from licensing;  
19 and

20 (4) modernize safety and soundness requirements to  
21 ensure customer funds are protected in an environment that  
22 supports innovative and competitive business practices.

1 (b) The provisions of this Act shall be liberally  
2 construed to effectuate its purposes.

3 ARTICLE II. Definitions

4 Section 2-1. Definitions. As used in this Act:

5 "Acting in concert" means persons knowingly acting  
6 together with a common goal of jointly acquiring control of a  
7 licensee whether or not pursuant to an express agreement.

8 "Authorized delegate" means a person a licensee designates  
9 to engage in money transmission on behalf of the licensee.

10 "Average daily money transmission liability" means the  
11 amount of the licensee's outstanding money transmission  
12 obligations in this State at the end of each day in a given  
13 period of time, added together, and divided by the total  
14 number of days in the given period of time. For purposes of  
15 calculating average daily money transmission liability under  
16 this Act for any licensee required to do so, the given period  
17 of time shall be the quarters ending March 31, June 30,  
18 September 30, and December 31.

19 "Bank Secrecy Act" means the Bank Secrecy Act, 31 U.S.C.  
20 5311, et seq. and its implementing rules and regulations, as  
21 amended and recodified from time to time.

22 "Bill payment service" means the business of transmitting  
23 money on behalf of an Illinois person for the purposes of  
24 paying the person's bills.

1 "Closed loop stored value" means stored value that is  
2 redeemable by the issuer only for goods or services provided  
3 by the issuer or its affiliate or franchisees of the issuer or  
4 its affiliate, except to the extent required by applicable law  
5 to be redeemable in cash for its cash value.

6 "Control" means:

7 (1) the power to vote, directly or indirectly, at  
8 least 25% of the outstanding voting shares or voting  
9 interests of a licensee or person in control of a  
10 licensee;

11 (2) the power to elect or appoint a majority of key  
12 individuals or executive officers, managers, directors,  
13 trustees, or other persons exercising managerial authority  
14 of a person in control of a licensee; or

15 (3) the power to exercise, directly or indirectly, a  
16 controlling influence over the management or policies of a  
17 licensee or person in control of a licensee.

18 For purposes of determining the percentage of a person  
19 controlled by any other person, the person's interest shall be  
20 aggregated with the interest of any other immediate family  
21 member, including the person's spouse, parents, children,  
22 siblings, mothers-in-law and fathers-in-law, sons-in-law and  
23 daughters-in-law, brothers-in-law and sisters-in-law, and any  
24 other person who shares such person's home.

25 "Department" means the Department of Financial and  
26 Professional Regulation.

1 "Division" means the Division of Financial Institutions of  
2 the Department of Financial and Professional Regulation.

3 "Eligible rating" means a credit rating of any of the 3  
4 highest rating categories provided by an eligible rating  
5 service, whereby each category may include rating category  
6 modifiers such as "plus" or "minus" for S&P, or the equivalent  
7 for any other eligible rating service. For purposes of this  
8 definition, long-term credit ratings are deemed eligible if  
9 the rating is equal to "A-" or higher by S&P, or the equivalent  
10 from any other eligible rating service; short-term credit  
11 ratings are deemed eligible if the rating is equal to or higher  
12 than "A-2" or "SP-2" by S&P, or the equivalent from any other  
13 eligible rating service; if ratings differ among eligible  
14 rating services, the highest rating shall apply when  
15 determining whether a security bears an eligible rating.

16 "Eligible rating service" means any nationally recognized  
17 statistical rating organization as defined by the U.S.  
18 Securities and Exchange Commission, and any other organization  
19 designated by the Secretary by rule or order.

20 "Federally insured depository financial institution" means  
21 a bank, credit union, savings and loan association, trust  
22 company, savings association, savings bank, industrial bank,  
23 or industrial loan company organized under the laws of the  
24 United States or any state of the United States, if the bank,  
25 credit union, savings and loan association, trust company,  
26 savings association, savings bank, industrial bank, or

1 industrial loan company has federally insured deposits.

2 "In this State" means at a physical location within this  
3 State for a transaction requested in person. For a transaction  
4 requested electronically or by phone, the provider of money  
5 transmission may determine if the person requesting the  
6 transaction is in this State by relying on other information  
7 provided by the person regarding the location of the  
8 individual's residential address or a business entity's  
9 principal place of business or other physical address  
10 location, and any records associated with the person that the  
11 provider of money transmission may have that indicate such  
12 location, including, but not limited to, an address associated  
13 with an account.

14 "Individual" means a natural person.

15 "Key individual" means any individual ultimately  
16 responsible for establishing or directing policies and  
17 procedures of the licensee, such as an executive officer,  
18 manager, director, or trustee.

19 "Licensee" means a person licensed under this Act.

20 "Material litigation" means litigation, that according to  
21 United States generally accepted accounting principles, is  
22 significant to a person's financial health and would be  
23 required to be disclosed in the person's annual audited  
24 financial statements, report to shareholders, or similar  
25 records.

26 "Money" means a medium of exchange that is authorized or

1 adopted by the United States or a foreign government as part of  
2 its currency and that is customarily used and accepted as a  
3 medium of exchange in the country of issuance. "Money"  
4 includes a monetary unit of account established by an  
5 intergovernmental organization or by agreement between 2 or  
6 more governments.

7 "Monetary value" means a medium of exchange, whether or  
8 not redeemable in money unless excluded by rule by the  
9 Secretary.

10 "Money transmission" means any of the following:

11 (1) Selling or issuing payment instruments to a person  
12 located in this State.

13 (2) Selling or issuing stored value to a person  
14 located in this State.

15 (3) Receiving money for transmission from a person  
16 located in this State or transmitting money in this State.

17 "Money transmission" includes bill payment services and  
18 payroll processing services. "Money transmission" does not  
19 include the provision solely of online or telecommunications  
20 services or network access.

21 "MSB accredited state agency" means a state agency that is  
22 accredited by the Conference of State Bank Supervisors and  
23 Money Transmitter Regulators Association for money  
24 transmission licensing and supervision.

25 "Multistate licensing process" means any agreement entered  
26 into by and among state regulators relating to coordinated

1 processing of applications for money transmission licenses,  
2 applications for the acquisition of control of a licensee,  
3 control determinations, or notice and information requirements  
4 for a change of key individuals.

5 "NMLS" means the Nationwide Multistate Licensing System  
6 and Registry developed by the Conference of State Bank  
7 Supervisors and the American Association of Residential  
8 Mortgage Regulators and owned and operated by the State  
9 Regulatory Registry, LLC, or any successor or affiliated  
10 entity, for the licensing and registration of persons in  
11 financial services industries.

12 "Outstanding money transmission obligations" means any of  
13 the following:

14 (1) Any payment instrument or stored value issued or  
15 sold by the licensee to a person located in the United  
16 States or reported as sold by an authorized delegate of  
17 the licensee to a person that is located in the United  
18 States that has not yet been paid or refunded by or for the  
19 licensee or escheated in accordance with applicable  
20 abandoned property laws; or

21 (2) Any money received for transmission by the  
22 licensee or an authorized delegate in the United States  
23 from a person located in the United States that has not  
24 been received by the payee, refunded to the sender, or  
25 escheated in accordance with applicable abandoned property  
26 laws.

1 For purposes of this definition, "in the United States"  
2 includes, to the extent applicable, a person in any state,  
3 territory, or possession of the United States; the District of  
4 Columbia; the Commonwealth of Puerto Rico; or a U.S. military  
5 installation that is located in a foreign country.

6 "Passive investor" means a person that:

7 (1) does not have the power to elect a majority of key  
8 individuals or executive officers, managers, directors,  
9 trustees, or other persons exercising managerial authority  
10 of a person in control of a licensee;

11 (2) is not employed by and does not have any  
12 managerial duties of the licensee or person in control of  
13 a licensee;

14 (3) does not have the power to exercise, directly or  
15 indirectly, a controlling influence over the management or  
16 policies of a licensee or person in control of a licensee;  
17 and

18 (4) either:

19 (A) attests to items (1), (2), and (3), in a form  
20 and in a medium prescribed by the Secretary; or

21 (B) commits to the passivity characteristics of  
22 items (1), (2), and (3), in a written document.

23 "Payment instrument" means a written or electronic check,  
24 draft, money order, traveler's check, or other written or  
25 electronic instrument for the transmission or payment of money  
26 or monetary value, whether or not negotiable. "Payment



1 instrument" does not include stored value or any instrument  
2 that (1) is redeemable by the issuer only for goods or services  
3 provided by the issuer or its affiliate or franchisees of the  
4 issuer or its affiliate, except to the extent required by  
5 applicable law to be redeemable in cash for its cash value; or  
6 (2) not sold to the public but issued and distributed as part  
7 of a loyalty, rewards, or promotional program.

8 "Payroll processing services" means receiving money for  
9 transmission pursuant to a contract with a person to deliver  
10 wages or salaries, make payment of payroll taxes to State and  
11 federal agencies, make payments relating to employee benefit  
12 plans, or make distributions of other authorized deductions  
13 from wages or salaries. "Payroll processing services" does not  
14 include an employer performing payroll processing services on  
15 its own behalf or on behalf of its affiliate.

16 "Person" means any individual, general partnership,  
17 limited partnership, limited liability company, corporation,  
18 trust, association, joint stock corporation, or other  
19 corporate entity identified by the Secretary.

20 "Receiving money for transmission" or "money received for  
21 transmission" means receiving money or monetary value in the  
22 United States for transmission within or outside the United  
23 States by electronic or other means.

24 "Secretary" means the Secretary of Financial and  
25 Professional Regulation, the acting Secretary, or a person  
26 authorized by the Secretary.

1 "Stored value" means monetary value representing a claim  
2 against the issuer evidenced by an electronic or digital  
3 record, and that is intended and accepted for use as a means of  
4 redemption for money or monetary value, or payment for goods  
5 or services. "Stored value" includes, but is not limited to,  
6 "prepaid access" as defined by 31 CFR Section 1010.100, as  
7 amended or recodified from time to time. Notwithstanding the  
8 foregoing, "stored value" does not include a payment  
9 instrument or closed loop stored value, or stored value not  
10 sold to the public but issued and distributed as part of a  
11 loyalty, rewards, or promotional program.

12 "Tangible net worth" means the aggregate assets of a  
13 licensee excluding all intangible assets, less liabilities, as  
14 determined in accordance with United States generally accepted  
15 accounting principles.

16 ARTICLE III. Exemptions

17 Section 3-1. Exemptions. This Act does not apply to:

18 (1) An operator of a payment system to the extent that it  
19 provides processing, clearing, or settlement services, between  
20 or among persons exempted by this Section or licensees, in  
21 connection with wire transfers, credit card transactions,  
22 debit card transactions, stored value transactions, automated  
23 clearinghouse transfers, or similar funds transfers.

24 (2) A person appointed as an agent of a payee to collect

1 and process a payment from a payor to the payee for goods or  
2 services, other than money transmission itself, provided to  
3 the payor by the payee, if:

4 (A) there exists a written agreement between the payee  
5 and the agent directing the agent to collect and process  
6 payments from payors on the payee's behalf; and

7 (B) payment for the goods and services is treated as  
8 received by the payee upon receipt by the agent so that the  
9 payor's obligation is extinguished and there is no risk of  
10 loss to the payor if the agent fails to remit the funds to  
11 the payee.

12 (3) A person that acts as an intermediary by processing  
13 payments between an entity that has directly incurred an  
14 outstanding money transmission obligation to a sender, and the  
15 sender's designated recipient, if the entity:

16 (A) is properly licensed or exempt from licensing  
17 requirements under this Act;

18 (B) provides a receipt, electronic record, or other  
19 written confirmation to the sender identifying the entity  
20 as the provider of money transmission in the transaction;  
21 and

22 (C) bears sole responsibility to satisfy the  
23 outstanding money transmission obligation to the sender,  
24 including the obligation to make the sender whole in  
25 connection with any failure to transmit the funds to the  
26 sender's designated recipient.

1           (4) The United States or a department, agency, or  
2 instrumentality thereof, or its agent.

3           (5) Money transmission by the United States Postal Service  
4 or by an agent of the United States Postal Service.

5           (6) A State, county, city, or any other governmental  
6 agency or governmental subdivision or instrumentality of a  
7 State, or its agent.

8           (7) A federally insured depository financial institution,  
9 bank holding company, office of an international banking  
10 corporation, foreign bank that establishes a federal branch  
11 pursuant to the International Bank Act, 12 U.S.C. 3102, as  
12 amended or recodified from time to time, corporation organized  
13 pursuant to the Bank Service Corporation Act, 12 U.S.C.  
14 Sections 1861 through 1867, as amended or recodified from time  
15 to time, or corporation organized under the Edge Act, 12  
16 U.S.C. Sections 611 through 633, as amended or recodified from  
17 time to time, under the laws of a state or the United States.

18           (8) Electronic funds transfer of governmental benefits for  
19 a federal, State, county, or governmental agency by a  
20 contractor on behalf of the United States or a department,  
21 agency, or instrumentality thereof, or on behalf of a State or  
22 governmental subdivision, agency, or instrumentality thereof.

23           (9) A board of trade designated as a contract market under  
24 the federal Commodity Exchange Act, 7 U.S.C. Sections 1  
25 through 25, as amended or recodified from time to time, or a  
26 person that, in the ordinary course of business, provides

1 clearance and settlement services for a board of trade to the  
2 extent of its operation as or for such a board.

3 (10) A registered futures commission merchant under the  
4 federal commodities laws to the extent of its operation as  
5 such a merchant.

6 (11) A person registered as a securities broker-dealer  
7 under federal or State securities laws to the extent of its  
8 operation as such a broker-dealer.

9 (12) An individual employed by a licensee, authorized  
10 delegate, or any person exempted from the licensing  
11 requirements of the Act when acting within the scope of  
12 employment and under the supervision of the licensee,  
13 authorized delegate, or exempted person as an employee and not  
14 as an independent contractor.

15 (13) A person expressly appointed as a third-party service  
16 provider to or agent of an entity exempt under paragraph (7) or  
17 (16), solely to the extent that:

18 (A) such service provider or agent is engaging in  
19 money transmission on behalf of and pursuant to a written  
20 agreement with the exempt entity that sets forth the  
21 specific functions that the service provider or agent is  
22 to perform; and

23 (B) the exempt entity assumes all risk of loss and all  
24 legal responsibility for satisfying the outstanding money  
25 transmission obligations owed to purchasers and holders of  
26 the outstanding money transmission obligations upon

1 receipt of the purchaser's or holder's money or monetary  
2 value by the service provider or agent.

3 (14) Any other person, transaction, or class of persons or  
4 transactions exempted by rule or any other person or  
5 transaction exempted by the Secretary's order on a finding  
6 that the licensing of the person is not necessary to achieve  
7 the purposes of this Act.

8 (15) Currency exchanges licensed under the Currency  
9 Exchange Act to the extent of its operation as such a currency  
10 exchange.

11 (16) An insured depository credit union organized under  
12 the laws of the United States or any state of the United States  
13 with deposits insured by an insurer approved by the credit  
14 union's primary regulator.

15 Section 3-2. Authority to require demonstration of  
16 exemption. The Secretary may require that any person or entity  
17 claiming to be exempt from licensing pursuant to Section 3-1  
18 provide information and documentation to the Secretary  
19 demonstrating that it qualifies for any claimed exemption. The  
20 burden of proving the applicability of an exemption is upon  
21 the person claiming the exclusion or exception.

22 ARTICLE IV. Implementation, Confidentiality, Supervision &  
23 Relationship to Federal Law

1 Section 4-1. Implementation.

2 (a) In order to carry out the purposes of this Act, the  
3 Secretary may, subject to the provisions of subsections (a)  
4 and (b) of Section 4-2:

5 (1) enter into agreements or relationships with other  
6 government officials or federal and State regulatory  
7 agencies and regulatory associations in order to improve  
8 efficiencies and reduce regulatory burden by standardizing  
9 methods or procedures, and sharing resources, records or  
10 related information obtained under this Act;

11 (2) use, hire, contract, or employ analytical systems,  
12 methods, or software to examine or investigate any person  
13 subject to this Act.

14 (3) accept, from other state or federal government  
15 agencies or officials, licensing, examination, or  
16 investigation reports made by such other state or federal  
17 government agencies or officials; and

18 (4) accept audit reports made by an independent  
19 certified public accountant or other qualified third-party  
20 auditor for an applicant or licensee and incorporate the  
21 audit report in any report of examination or  
22 investigation.

23 (b) The Department shall have the broad administrative  
24 authority to administer, interpret and enforce this Act, and  
25 adopt rules or regulations implementing this Act and to  
26 recover the cost of administering and enforcing this Act by

1 imposing and collecting proportionate and equitable fees and  
2 costs associated with applications, examinations,  
3 investigations, and other actions required to achieve the  
4 purpose of this Act. The Department's rulemaking authority  
5 shall include, but not be limited to:

6 (1) such rules and regulations in connection with the  
7 activities of licensees as may be necessary and  
8 appropriate for the protection of consumers in this State;

9 (2) such rules and regulations as may be necessary and  
10 appropriate to define improper or fraudulent business  
11 practices in connection with the activities of licensees;

12 (3) such rules and regulations as may define the terms  
13 used in this Act and as may be necessary and appropriate to  
14 interpret and implement the provisions of this Act;

15 (4) such rules and regulations as may be necessary for  
16 the implementation or enforcement of this Act; and

17 (5) such rules and regulations establishing fees the  
18 Secretary deems necessary to cover the cost of  
19 administration of this Act.

20 Section 4-2. Confidentiality.

21 (a) Except as otherwise provided in this Section, all  
22 information or reports obtained by the Secretary from an  
23 applicant, licensee, or authorized delegate, and all  
24 information contained in or related to an examination,  
25 investigation, operating report, or condition report prepared



1 by, on behalf of, or for the use of the Secretary, or financial  
2 statements, balance sheets, or authorized delegate  
3 information, are confidential and are not subject to  
4 disclosure under the Freedom of Information Act.

5 (b) The Secretary may disclose information not otherwise  
6 subject to disclosure under subsection (a) to representatives  
7 of State or federal agencies who promise in a record that they  
8 will maintain the confidentiality of the information or where  
9 the Secretary finds that the release is reasonably necessary  
10 for the protection and interest of the public.

11 (c) This Section does not prohibit the Secretary from  
12 disclosing to the public a list of all licensees or the  
13 aggregated financial or transactional data concerning those  
14 licensees.

15 (d) Information contained in the records of the Department  
16 that is not confidential and may be made available to the  
17 public either on the Department's website, upon receipt by the  
18 Department of a written request, or in NMLS shall include:

19 (1) the name, business address, telephone number, and  
20 unique identifier of a licensee;

21 (2) the business address of a licensee's registered  
22 agent for service;

23 (3) the name, business address, and telephone number  
24 of all authorized delegates;

25 (4) the terms of or a copy of any bond filed by a  
26 licensee, if confidential information, including, but not

1 limited to, prices and fees, for such bond is redacted;

2 (5) copies of any final orders of the Department  
3 relating to any violation of this Act or regulations  
4 implementing this Act; and

5 (e) Imposition of an administrative action under this Act  
6 is not confidential.

7 (f) The Secretary, in his or her sole discretion, may  
8 disclose otherwise confidential information when he or she  
9 determines disclosure is in the public interest.

10 Section 4-3. Supervision.

11 (a) The Secretary may conduct an examination or  
12 investigation of a licensee or authorized delegate or  
13 otherwise take independent action authorized by this Act or by  
14 a rule adopted or order issued under this Act as reasonably  
15 necessary or appropriate to administer and enforce this Act,  
16 rules and regulations implementing this Act, and other  
17 applicable law, including the Bank Secrecy Act and the USA  
18 PATRIOT ACT. The Secretary may:

19 (1) conduct an examination either on-site or off-site  
20 as the Secretary may reasonably require;

21 (2) conduct an examination in conjunction with an  
22 examination conducted by representatives of other state  
23 agencies or agencies of another state or of the federal  
24 government;

25 (3) accept the examination report of another state

1 agency or an agency of another state or of the federal  
2 government, or a report prepared by an independent  
3 accounting firm, which on being accepted is considered for  
4 all purposes as an official report of the Secretary; and

5 (4) summon and examine under oath a key individual or  
6 employee of a licensee or authorized delegate and require  
7 the person to produce records regarding any matter related  
8 to the condition and business of the licensee or  
9 authorized delegate.

10 (b) A licensee or authorized delegate shall provide, and  
11 the Secretary shall have full and complete access to, all  
12 records the Secretary may reasonably require to conduct a  
13 complete examination. The records must be provided at the  
14 location and in the format specified by the Secretary,  
15 however, the Secretary may use multistate record production  
16 standards and examination procedures when such standards will  
17 reasonably achieve the requirements of this subsection.

18 (c) Unless otherwise directed by the Secretary, a licensee  
19 shall pay all costs reasonably incurred in connection with an  
20 examination of the licensee or the licensee's authorized  
21 delegates.

22 Section 4-4. Networked supervision.

23 (a) To efficiently and effectively administer and enforce  
24 this Act and to minimize regulatory burden, the Secretary is  
25 authorized and encouraged to participate in multistate

1 supervisory processes established between states and  
2 coordinated through the Conference of State Bank Supervisors,  
3 Money Transmitter Regulators Association, and affiliates and  
4 successors thereof for all licensees that hold licenses in  
5 this State and other states. As a participant in multistate  
6 supervision, the Secretary may:

7 (1) cooperate, coordinate, and share information with  
8 other state and federal regulators in accordance with  
9 Section 4-2;

10 (2) enter into written cooperation, coordination, or  
11 information-sharing contracts or agreements with  
12 organizations the membership of which is made up of state  
13 or federal governmental agencies; and

14 (3) cooperate, coordinate, and share information with  
15 organizations the membership of which is made up of state  
16 or federal governmental agencies, if the organizations  
17 agree in writing to maintain the confidentiality and  
18 security of the shared information in accordance with  
19 Section 4-2.

20 (b) The Secretary may not waive, and nothing in this  
21 Section constitutes a waiver of, the Secretary's authority to  
22 conduct an examination or investigation or otherwise take  
23 independent action authorized by this Act or a rule adopted or  
24 order issued under this Act to enforce compliance with  
25 applicable state or federal law.

26 (c) A joint examination or investigation, or acceptance of

1 an examination or investigation report, does not waive an  
2 examination assessment provided for in this Act.

3 Section 4-5. Relationship to federal law.

4 (a) If state money transmission jurisdiction is  
5 conditioned on a federal law, any inconsistencies between a  
6 provision of this Act and the federal law governing money  
7 transmission shall be governed by the applicable federal law  
8 to the extent of the inconsistency.

9 (b) In the event of any inconsistencies between this Act  
10 and a federal law that governs pursuant to subsection (a), the  
11 Secretary may provide interpretive rule or guidance that:

12 (1) identifies the inconsistency; and

13 (2) identifies the appropriate means of compliance  
14 with federal law.

15 ARTICLE V. Money Transmission Licenses

16 Section 5-1. License required.

17 (a) A person may not engage in the business of money  
18 transmission or advertise, solicit, or hold oneself out as  
19 providing money transmission unless the person is licensed  
20 under this Act.

21 (b) Subsection (a) does not apply to:

22 (1) A person who is an authorized delegate of a person  
23 licensed under this Act acting within the scope of

1 authority conferred by a written contract with the  
2 licensee; or

3 (2) A person who is exempt pursuant to Section 3-1 and  
4 does not engage in money transmission outside the scope of  
5 such exemption.

6 (c) A license issued under Section 5-5 is not transferable  
7 or assignable.

8 Section 5-2. Consistent State licensing.

9 (a) To establish consistent licensing between this State  
10 and other states, the Secretary is authorized and encouraged  
11 to:

12 (1) implement all licensing provisions of this Act in  
13 a manner that is consistent with other states that have  
14 adopted this Act or multistate licensing processes; and

15 (2) participate in nationwide protocols for licensing  
16 cooperation and coordination among state regulators  
17 provided that such protocols are consistent with this Act.

18 (b) In order to fulfill the purposes of this Act, the  
19 Secretary is authorized and encouraged to establish  
20 relationships or contracts with NMLS or other entities  
21 designated by NMLS to enable the Secretary to:

22 (1) collect and maintain records;

23 (2) coordinate multistate licensing processes and  
24 supervision processes;

25 (3) process fees; and

1           (4) facilitate communication between this State and  
2           licensees or other persons subject to this Act.

3           (c) The Secretary is authorized and encouraged to use NMLS  
4           for all aspects of licensing in accordance with this Act,  
5           including, but not limited to, license applications,  
6           applications for acquisitions of control, surety bonds,  
7           reporting, criminal history background checks, credit checks,  
8           fee processing, and examinations.

9           (d) The Secretary is authorized and encouraged to use NMLS  
10          forms, processes, and functionalities in accordance with this  
11          Act. If NMLS does not provide functionality, forms, or  
12          processes for a provision of this Act, the Secretary is  
13          authorized and encouraged to strive to implement the  
14          requirements in a manner that facilitates uniformity with  
15          respect to licensing, supervision, reporting, and regulation  
16          of licensees which are licensed in multiple jurisdictions.

17          (e) For the purpose of participating in NMLS, the  
18          Secretary is authorized to waive or modify, in whole or in  
19          part, by rule, regulation or order, any or all of the  
20          requirements and to establish new requirements as reasonably  
21          necessary to participate in NMLS.

22                Section 5-3. Application for license.

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

1 or procedure of the Secretary and may be changed or updated by  
2 the Secretary in accordance with applicable law in order to  
3 carry out the purposes of this Act and maintain consistency  
4 with NMLS licensing standards and practices. The application  
5 must state or contain, as applicable:

6 (1) the legal name and residential and business  
7 addresses of the applicant and any fictitious or trade  
8 name used by the applicant in conducting its business;

9 (2) a list of any criminal convictions of the  
10 applicant and any material litigation in which the  
11 applicant has been involved in the 10-year period  
12 preceding the submission of the application;

13 (3) a description of any money transmission previously  
14 provided by the applicant and the money transmission that  
15 the applicant seeks to provide in this State;

16 (4) a list of the applicant's proposed authorized  
17 delegates and the locations in this State where the  
18 applicant and its authorized delegates propose to engage  
19 in money transmission;

20 (5) a list of other states in which the applicant is  
21 licensed to engage in money transmission and any license  
22 revocations, suspensions, or other disciplinary action  
23 taken against the applicant in another state;

24 (6) information concerning any bankruptcy or  
25 receivership proceedings affecting the licensee or a  
26 person in control of a licensee;



1           (7) a sample form of contract for authorized  
2 delegates, if applicable;

3           (8) a sample form of payment instrument or stored  
4 value, as applicable;

5           (9) the name and address of any federally insured  
6 depository financial institution through which the  
7 applicant plans to conduct money transmission; and

8           (10) any other information the Secretary or NMLS  
9 reasonably requires with respect to the applicant.

10          (b) If an applicant is a corporation, limited liability  
11 company, partnership, or other legal entity, the applicant  
12 shall also provide:

13           (1) the date of the applicant's incorporation or  
14 formation and State or country of incorporation or  
15 formation;

16           (2) if applicable, a certificate of good standing from  
17 the State or country in which the applicant is  
18 incorporated or formed;

19           (3) a brief description of the structure or  
20 organization of the applicant, including any parents or  
21 subsidiaries of the applicant, and whether any parents or  
22 subsidiaries are publicly traded;

23           (4) the legal name, any fictitious or trade name, all  
24 business and residential addresses, and the employment, as  
25 applicable, in the 10-year period preceding the submission  
26 of the application of each key individual and person in

1 control of the applicant;

2 (5) a list of any criminal convictions and material  
3 litigation in which a person in control of the applicant  
4 that is not an individual has been involved in the 10-year  
5 period preceding the submission of the application;

6 (6) a copy of audited financial statements of the  
7 applicant for the most recent fiscal year and for the  
8 2-year period preceding the submission of the application  
9 or, if determined to be acceptable to the Secretary;

10 (7) a certified copy of unaudited financial statements  
11 of the applicant for the most recent fiscal quarter;

12 (8) if the applicant is a publicly traded corporation,  
13 a copy of the most recent report filed with the United  
14 States Securities and Exchange Commission under Section 13  
15 of the federal Securities Exchange Act of 1934, 15 U.S.C.  
16 78m, as amended or recodified from time to time;

17 (9) if the applicant is a wholly owned subsidiary of:

18 (A) a corporation publicly traded in the United  
19 States, a copy of audited financial statements for the  
20 parent corporation for the most recent fiscal year or  
21 a copy of the parent corporation's most recent report  
22 filed under Section 13 of the federal Securities  
23 Exchange Act of 1934, 15 U.S.C. 78m, as amended or  
24 recodified from time to time; or

25 (B) a corporation publicly traded outside the  
26 United States, a copy of similar documentation filed

1 with the regulator of the parent corporation's  
2 domicile outside the United States;

3 (10) the name and address of the applicant's  
4 registered agent in this State; and

5 (11) any other information the Secretary reasonably  
6 requires with respect to the applicant.

7 A nonrefundable application fee must accompany an  
8 application for a license under this Section in accordance  
9 with 38 Ill. Adm. Code 205.35, as amended or recodified from  
10 time to time.

11 (c) The Secretary may waive one or more requirements of  
12 subsections (a) and (b) or permit an applicant to submit other  
13 information instead of the required information.

14 Section 5-4. Information requirements for certain  
15 individuals.

16 (a) Any individual in control of a licensee or applicant,  
17 any individual that seeks to acquire control of a licensee,  
18 and each key individual shall furnish to the Secretary through  
19 NMLS the following items:

20 (1) The individual's fingerprints for submission to  
21 the Federal Bureau of Investigation and the Secretary for  
22 purposes of a national criminal history background check  
23 unless the person currently resides outside of the United  
24 States and has resided outside of the United States for  
25 the last 10 years.

1           (2) Personal history and experience in a form and in a  
2 medium prescribed by the Secretary, to obtain the  
3 following:

4           (A) an independent credit report from a consumer  
5 reporting agency unless the individual does not have a  
6 social security number, in which case, this  
7 requirement shall be waived;

8           (B) information related to any criminal  
9 convictions or pending charges; and

10           (C) information related to any regulatory or  
11 administrative action and any civil litigation  
12 involving claims of fraud, misrepresentation,  
13 conversion, mismanagement of funds, breach of  
14 fiduciary duty, or breach of contract.

15           (b) If the individual has resided outside of the United  
16 States at any time in the last 10 years, the individual shall  
17 also provide an investigative background report prepared by an  
18 independent search firm that meets the following requirements:

19           (1) At a minimum, the search firm shall:

20           (A) demonstrate that it has sufficient knowledge,  
21 resources, and employs accepted and reasonable  
22 methodologies to conduct the research of the  
23 background report; and

24           (B) not be affiliated with or have an interest  
25 with the individual it is researching.

26           (2) At a minimum, the investigative background report

1 shall be written in the English language and shall contain  
2 the following:

3 (A) if available in the individual's current  
4 jurisdiction of residency, a comprehensive credit  
5 report, or any equivalent information obtained or  
6 generated by the independent search firm to accomplish  
7 such report, including a search of the court data in  
8 the countries, provinces, states, cities, towns, and  
9 contiguous areas where the individual resided and  
10 worked;

11 (B) criminal records information for the past 10  
12 years, including, but not limited to, felonies,  
13 misdemeanors, or similar convictions for violations of  
14 law in the countries, provinces, states, cities,  
15 towns, and contiguous areas where the individual  
16 resided and worked;

17 (C) employment history;

18 (D) media history, including an electronic search  
19 of national and local publications, wire services, and  
20 business applications; and

21 (E) financial services-related regulatory history,  
22 including, but not limited to, money transmission,  
23 securities, banking, insurance, and mortgage related  
24 industries.

25 Section 5-5. Issuance of license.

1           (a) When an application for an original license under this  
2 Act appears to include all the items and addresses of all of  
3 the matters that are required, the application is complete and  
4 the Secretary shall promptly notify the applicant in a record  
5 of the date on which the application is determined to be  
6 complete, and:

7           (1) unless extended by the Secretary pursuant to the  
8 Secretary's discretion, the Secretary shall approve or  
9 deny the application within 120 days after the completion  
10 date; or

11           (2) if the application is not approved or denied  
12 within 120 days after the completion date or any extension  
13 thereof:

14                   (A) the application is approved; and

15                   (B) the license takes effect as of the first  
16 business day after expiration of the 120-day period.

17           (b) A determination by the Secretary that an application  
18 is complete and is accepted for processing means only that the  
19 application, on its face, appears to include all of the items,  
20 including the Criminal Background Check response from the FBI,  
21 and address all of the matters that are required, and is not an  
22 assessment of the substance of the application or of the  
23 sufficiency of the information provided.

24           (c) When an application is filed and considered complete  
25 under this Section, the Secretary shall investigate the  
26 applicant's financial condition and responsibility, financial

1 and business experience, character, and general fitness. The  
2 Secretary may conduct an on-site investigation of the  
3 applicant, the reasonable cost of which the applicant must  
4 pay. The Secretary shall issue a license to an applicant under  
5 this Section if the Secretary finds that all of the following  
6 conditions have been fulfilled:

7 (1) the applicant has complied with Sections 5-3 and  
8 5-4; and

9 (2) the financial condition and responsibility,  
10 financial and business experience, competence, character,  
11 and general fitness of the applicant and the competence,  
12 experience, character, and general fitness of the key  
13 individuals and persons in control of the applicant  
14 indicate that it is in the interest of the public to permit  
15 the applicant to engage in money transmission.

16 (d) If an applicant avails itself or is otherwise subject  
17 to a multistate licensing process:

18 (1) the Secretary is authorized and encouraged to  
19 accept the investigation results of a lead investigative  
20 state for the purpose of subsection (c) if the lead  
21 investigative state has sufficient staffing, expertise,  
22 and minimum standards; or

23 (2) if Illinois is a lead investigative state, the  
24 Secretary is authorized and encouraged to investigate the  
25 applicant pursuant to subsection (c) and the timeframes  
26 established by agreement through the multistate licensing

1 process, however, in no case shall such timeframe be  
2 noncompliant with the application period in paragraph (1)  
3 of subsection (a).

4 (e) The Secretary shall issue a formal written notice of  
5 the denial of a license application within 30 days after the  
6 decision to deny the application. The Secretary shall set  
7 forth the specific reasons for the denial of the application  
8 in the notice of denial and serve the applicant, either  
9 personally or by certified mail. Service by certified mail  
10 shall be deemed completed when the notice is deposited into  
11 the U.S. Mail. An applicant whose application is denied by the  
12 Secretary under this Section may submit a written request for  
13 a hearing that shall include the particular reasons why the  
14 applicant believes that the decision to deny the application  
15 was incorrect, within 10 days after service of the notice of  
16 the denial. If an applicant submits a timely request for a  
17 hearing, the Secretary shall schedule a hearing after the  
18 request for a hearing unless otherwise agreed to by the  
19 parties. The Secretary shall conduct hearings pursuant to this  
20 Section and in accordance with 38 Ill. Adm. Code 100, as  
21 amended or recodified from time to time.

22 (f) The initial license term shall begin on the day that  
23 the application is approved. The license shall expire on  
24 December 31 of the year in which the license term began, unless  
25 the initial license date is between November 1 and December  
26 31, in which instance the initial license term shall run



1 through December 31 of the following year.

2 Section 5-6. Renewal of license.

3 (a) A license under this Act shall be renewed annually.

4 (b) An annual renewal fee in accordance with 38 Ill. Adm.  
5 Code 205.35 as amended or recodified from time to time shall be  
6 paid to the Department. The renewal term shall be for a period  
7 of one year and shall begin on January 1 of each year after the  
8 initial license term and shall expire on December 31 of the  
9 year the renewal term begins.

10 (c) A licensee shall submit a renewal report, in a form and  
11 in a medium prescribed by the Secretary by December 1 of each  
12 year. The form requires any information deemed necessary by  
13 the Secretary to review a renewal application. At a minimum,  
14 the renewal report must state or contain a description of each  
15 material change in information submitted by the licensee in  
16 its original license application which has not been reported  
17 to the Secretary and a statement of the dollar amount and  
18 number of money transmissions and payment instruments sold,  
19 issued, exchanged, or transmitted in this State by the  
20 licensee and its authorized delegate for the past 4 completed  
21 calendar quarters.

22 (d) The Secretary, in his or her discretion, may grant an  
23 extension of the renewal date.

24 (e) The Secretary is authorized and encouraged to use NMLS  
25 to process license renewals if such functionality is

1 consistent with this Section.

2 (f) The Secretary shall issue a formal written notice of  
3 the denial of renewal within 30 days after the decision to deny  
4 the renewal. The Secretary shall set forth the specific  
5 reasons for denying the renewal in the notice of denial and  
6 serve the licensee, either personally or by certified mail.  
7 Service by certified mail shall be deemed completed when the  
8 notice is deposited into the U.S. Mail. A licensee whose  
9 renewal is denied by the Secretary under this Section may  
10 submit a written request for a hearing that shall include the  
11 particular reasons why the licensee believes that the decision  
12 to deny the renewal was incorrect within 10 days after service  
13 of the notice of the denial. If a licensee submits a timely  
14 request for a hearing, the Secretary shall schedule a hearing  
15 unless otherwise agreed to by the parties. The Secretary shall  
16 conduct hearings pursuant to this Section and in accordance  
17 with 38 Ill. Adm. Code 100, as amended or recodified from time  
18 to time. The expiring license shall be deemed to continue in  
19 force until 10 days after the service of the notice of denial  
20 or, if a timely hearing is requested during that period, until  
21 a final order is entered pursuant to a hearing.

22 Section 5-7. Maintenance of license.

23 (a) If a licensee does not continue to meet the  
24 qualifications or satisfy the requirements that apply to an  
25 applicant for a new money transmission license, the Secretary

1 may suspend or revoke the licensee's license in accordance  
2 with the procedures established by this Act or other  
3 applicable State law for such suspension or revocation.

4 (b) An applicant for a money transmission license must  
5 demonstrate that it meets or will meet, and a money  
6 transmission licensee must at all times meet, the requirements  
7 in Article X of this Act.

8 Section 5-8. Fees.

9 (a) The expenses of administering this Act, including  
10 investigations and examinations provided for in this Act,  
11 shall be borne by and assessed against entities regulated by  
12 this Act. The Department may establish fees by rule, including  
13 in the following categories:

14 (1) investigation of licensees and license applicant  
15 fees;

16 (2) examination fees;

17 (3) contingent fees; and

18 (4) such other categories as may be required to  
19 administer this Act.

20 (b) The Secretary shall charge and collect fees, which  
21 shall be nonrefundable unless otherwise indicated, in  
22 accordance with 38 Ill. Adm. Code 205.35.

23 (c) All fees currently assessed in accordance with 38 Ill.  
24 Adm. Code 205.35, as amended or recodified from time to time,  
25 shall remain in effect. Except for money required to be

1 deposited into the TOMA Consumer Protection Fund pursuant to  
2 this Act, all moneys received by the Department shall be  
3 deposited into the Financial Institution Fund. Failure to pay  
4 any required fee by the due date shall subject the licensee to  
5 a penalty fee of \$25 per day and disciplinary action.

6 Section 5-9. Liability of licensees. A licensee is liable  
7 for the payment of all moneys covered by payment instruments  
8 that it sells or issues in any form in this State through its  
9 authorized delegate and all moneys it receives itself or  
10 through its authorized delegate for transmission by any means  
11 whether or not any instrument is a negotiable instrument under  
12 the laws of this State.

13 ARTICLE VI. Acquisition of Control and Change of Key  
14 Individual

15 Section 6-1. Acquisition of control.

16 (a) Any person, or group of persons acting in concert,  
17 seeking to acquire control of a licensee shall obtain the  
18 written approval of the Secretary before acquiring control. An  
19 individual is not deemed to acquire control of a licensee and  
20 is not subject to this Section when that individual becomes a  
21 key individual in the ordinary course of business.

22 (b) A person, or group of persons acting in concert,  
23 seeking to acquire control of a licensee shall, in cooperation

1 with the licensee:

2 (1) submit an application in a form and in a medium  
3 prescribed by the Secretary; and

4 (2) submit a nonrefundable fee of \$1,000 with the  
5 request for approval.

6 (c) Upon request, the Secretary may permit a licensee or  
7 the person, or group of persons acting in concert, to submit  
8 some or all information required by the Secretary pursuant to  
9 subsection (b) without using NMLS.

10 (d) The application required by subsection (b) shall  
11 include information required by Section 5-4 for any new key  
12 individuals that have not previously completed the  
13 requirements of Section 5-4 for a licensee.

14 (e) When an application for acquisition of control under  
15 this Section appears to include all the items and address all  
16 of the matters that are required, the application shall be  
17 considered complete and:

18 (1) unless extended by the Secretary pursuant to the  
19 Secretary's discretion, the Secretary shall approve or  
20 deny the application within 60 days after the completion  
21 date; or

22 (2) if the application is not approved or denied  
23 within 60 days after the completion date or any extension  
24 thereof:

25 (A) the application is approved; and

26 (B) the person, or group of persons acting in

1 concert, are not prohibited from acquiring control.

2 (f) A determination by the Secretary that an application  
3 is complete and is accepted for processing means only that the  
4 application, on its face, appears to include all of the items  
5 and address all of the matters that are required, and is not an  
6 assessment of the substance of the application or of the  
7 sufficiency of the information provided.

8 (g) When an application is filed and considered complete  
9 under subsection (e), the Secretary shall investigate the  
10 financial condition and responsibility, financial and business  
11 experience, character, and general fitness of the person, or  
12 group of persons acting in concert, seeking to acquire  
13 control. The Secretary shall approve an acquisition of control  
14 pursuant to this Section if the Secretary finds that all of the  
15 following conditions have been fulfilled:

16 (1) The requirements of subsections (b) and (d) have  
17 been met, as applicable; and

18 (2) the financial condition and responsibility,  
19 financial and business experience, competence, character,  
20 and general fitness of the person, or group of persons  
21 acting in concert, seeking to acquire control; and the  
22 competence, experience, character, and general fitness of  
23 the key individuals and persons that would be in control  
24 of the licensee after the acquisition of control indicate  
25 that it is in the interest of the public to permit the  
26 person, or group of persons acting in concert, to control

1 the licensee.

2 (h) If an applicant avails itself or is otherwise subject  
3 to a multistate licensing process:

4 (1) the Secretary is authorized and encouraged to  
5 accept the investigation results of a lead investigative  
6 state for the purpose of subsection (g) if the lead  
7 investigative state has sufficient staffing, expertise,  
8 and minimum standards; or

9 (2) if the Department is a lead investigative state,  
10 the Secretary is authorized and encouraged to investigate  
11 the applicant pursuant to subsection (g) and the  
12 timeframes established by agreement through the multistate  
13 licensing process.

14 (i) The Secretary shall issue a formal written notice of  
15 the denial of an application to acquire control within 30 days  
16 after the decision to deny the application. The Secretary  
17 shall set forth the specific reasons for the denial of the  
18 application in the notice of denial and serve the applicant,  
19 either personally or by certified mail. Service by certified  
20 mail shall be deemed completed when the notice is deposited  
21 into the U.S. mail. An applicant whose application is denied  
22 by the Secretary under this subsection (i) may submit a  
23 written request for hearing which shall include the particular  
24 reasons why the applicant believes that the decision to deny  
25 the application was incorrect, within 10 days after service of  
26 the notice of denial. If an applicant submits a timely request

1 for a hearing, the Secretary shall schedule a hearing unless  
2 otherwise agreed to by the parties. The Secretary shall  
3 conduct hearings pursuant to this Section and in accordance  
4 with 38 Ill. Adm. Code 100, as amended or recodified from time  
5 to time.

6 (j) The requirements of subsections (a) and (b) do not  
7 apply to any of the following:

8 (1) a person that acts as a proxy for the sole purpose  
9 of voting at a designated meeting of the shareholders or  
10 holders of voting shares or voting interests of a licensee  
11 or a person in control of a licensee;

12 (2) a person that acquires control of a licensee by  
13 devise or descent;

14 (3) a person that acquires control of a licensee as a  
15 personal representative, custodian, guardian,  
16 conservator, or trustee, or as an officer appointed by a  
17 court of competent jurisdiction or by operation of law;

18 (4) a person that is exempt under subsection (g) of  
19 Section 3-1;

20 (5) A person that the Secretary determines is not  
21 subject to subsection (a) based on the public interest;

22 (6) A public offering of securities of a licensee or a  
23 person in control of a licensee; or

24 (7) An internal reorganization of a person in control  
25 of the licensee where the ultimate person in control of  
26 the licensee remains the same.



1 (k) Persons in paragraphs (2), (3), (4), (6), and (7) of  
2 subsection (j) in cooperation with the licensee shall notify  
3 the Secretary within 15 days after the acquisition of control.

4 (l) Streamlined acquisition of control.

5 (1) The requirements of subsections (a) and (b) do not  
6 apply to a person that has complied with and received  
7 approval to engage in money transmission under this Act or  
8 was identified as a person in control in a prior  
9 application filed with and approved by the Secretary or by  
10 an MSB accredited state agency pursuant to a multistate  
11 licensing process, if:

12 (A) the person has not had a license revoked or  
13 suspended or controlled a licensee that has had a  
14 license revoked or suspended while the person was in  
15 control of the licensee in the previous 5 years;

16 (B) if the person is a licensee, the person is well  
17 managed and has received at least a satisfactory  
18 rating for compliance at its most recent examination  
19 by an MSB accredited state agency if such rating was  
20 given;

21 (C) the licensee to be acquired is projected to  
22 meet the requirements of Article X of this Act after  
23 the acquisition of control is completed, and if the  
24 person acquiring control is a licensee, that licensee  
25 is also projected to meet the requirements of Article  
26 X of this Act after the acquisition of control is

1 completed;

2 (D) the licensee to be acquired will not implement  
3 any material changes to its business plan as a result  
4 of the acquisition of control, and if the person  
5 acquiring control is a licensee, that licensee also  
6 will not implement any material changes to its  
7 business plan as a result of the acquisition of  
8 control; and

9 (E) the person provides notice of the acquisition  
10 in cooperation with the licensee and attests to this  
11 subsection in a form and in a medium prescribed by the  
12 Secretary.

13 (2) If the notice is not denied within 30 days after  
14 the date on which the notice was determined to be  
15 complete, the notice is deemed approved.

16 (m) Before filing an application for approval to acquire  
17 control of a licensee a person may request in writing a  
18 determination from the Secretary as to whether the person  
19 would be considered a person in control of a licensee upon  
20 consummation of a proposed transaction. If the Secretary  
21 determines that the person would not be a person in control of  
22 a licensee, the proposed person and transaction is not subject  
23 to the requirements of subsections (a) and (b).

24 (n) If a multistate licensing process includes a  
25 determination pursuant to subsection (m) and an applicant  
26 avails itself or is otherwise subject to the multistate

1 licensing process:

2 (1) The Secretary is authorized and encouraged to  
3 accept the control determination of a lead investigative  
4 state with sufficient staffing, expertise, and minimum  
5 standards for the purpose of subsection (m); or

6 (2) If the Department is a lead investigative state,  
7 the Secretary is authorized and encouraged to investigate  
8 the applicant pursuant to subsection (m) and the  
9 timeframes established by agreement through the multistate  
10 licensing process.

11 Section 6-2. Notice and information requirements for a  
12 change of key individuals.

13 (a) A licensee adding or replacing any key individual  
14 shall:

15 (1) provide notice in a manner prescribed by the  
16 Secretary within 15 days after the effective date of the  
17 key individual's appointment; and

18 (2) provide information as required by Section 5-4  
19 within 45 days after the effective date.

20 (b) The Secretary may issue a formal written notice of  
21 denial of key individual within 90 days after the date on which  
22 the notice provided pursuant to subsection (a) was determined  
23 to be complete if the competence, experience, character, or  
24 integrity of the individual would not be in the best interests  
25 of the public or the customers of the licensee to permit the

1 individual to be a key individual of such licensee.

2 (c) The Secretary shall set forth the specific reasons for  
3 the denial in the notice of denial and serve the licensee and  
4 the denied individual, either personally, or by certified  
5 mail. Service by certified mail shall be deemed completed when  
6 the notice is deposited into the U.S. Mail. A licensee who has  
7 been denied by the Secretary under this subsection (c) may  
8 submit a written request for hearing which shall include the  
9 particular reasons why the licensee believes that the decision  
10 to deny was incorrect, within 10 days after service of the  
11 notice of the denial. If a licensee submits a timely request  
12 for a hearing, the Secretary shall schedule a hearing after  
13 the request for a hearing unless otherwise agreed to by the  
14 parties. The Secretary shall conduct hearings pursuant to this  
15 Section and in accordance with 38 Ill. Adm. Code 100.

16 (d) If the notice provided pursuant to subsection (a) is  
17 not denied within 90 days after the date on which the notice  
18 was determined to be complete, or any extension thereof, the  
19 key individual is deemed approved.

20 (e) If a multistate licensing process includes a key  
21 individual notice review and denial process pursuant to this  
22 Section and the licensee avails itself or is otherwise subject  
23 to the multistate licensing process:

24 (1) the Secretary is authorized and encouraged to  
25 accept the determination of another state;

26 (2) if the investigating state has sufficient

1 staffing, expertise, and minimum standards for the purpose  
2 of this Section; or

3 (3) if the Department is a lead investigative state,  
4 the Secretary is authorized and encouraged to investigate  
5 the applicant pursuant to subsection (b) and the  
6 timeframes established by agreement through the multistate  
7 licensing process.

8 ARTICLE VII. Reporting and Records

9 Section 7-1. Report of condition.

10 (a) Each licensee, under penalty of perjury, shall submit  
11 a report of condition within 45 days of the end of the calendar  
12 quarter, or within any extended time as the Secretary may  
13 prescribe.

14 (b) The report of condition shall include:

15 (1) financial information at the licensee level;

16 (2) nationwide and state-specific money transmission  
17 transaction information in every jurisdiction in the  
18 United States where the licensee is licensed to engage in  
19 money transmission;

20 (3) permissible investments report;

21 (4) transaction destination country reporting for  
22 money received for transmission, if applicable; and

23 (5) any other information the Secretary reasonably  
24 requires with respect to the licensee. The Secretary is

1 authorized and encouraged to use NMLS for the submission  
2 of the report required by subsection (a) and is authorized  
3 to change or update as necessary the requirements of this  
4 Section to carry out the purposes of this Act and maintain  
5 consistency with NMLS reporting.

6 (c) The information required by paragraph (4) of  
7 subsection (b) shall only be included in a report of condition  
8 submitted within 45 days of the end of the fourth calendar  
9 quarter.

10 Section 7-2. Audited financials.

11 (a) Each licensee shall, within 90 days after the end of  
12 each fiscal year, or within any extended time as the Secretary  
13 may prescribe, file with the Secretary:

14 (1) an audited financial statement of the licensee for  
15 the fiscal year prepared in accordance with United States  
16 generally accepted accounting principles; and

17 (2) any other information as the Secretary may  
18 reasonably require.

19 (b) The audited financial statements shall be prepared by  
20 an independent certified public accountant or independent  
21 public accountant who is satisfactory to the Secretary;

22 (c) The audited financial statements shall include or be  
23 accompanied by a certificate of opinion of the independent  
24 certified public accountant or independent public accountant  
25 that is satisfactory in form and content to the Secretary. If

1 the opinion or certificate is qualified, the licensee must  
2 make a separate report to the Secretary notifying them of the  
3 qualified opinion or certification. If the certificate or  
4 opinion is qualified, the Secretary may order the licensee to  
5 take any action as the Secretary may find necessary to enable  
6 the certified public accountant or independent public  
7 accountant to remove the qualification.

8 Section 7-3. Authorized delegate reporting.

9 (a) Each licensee shall submit a report of authorized  
10 delegates within 45 days of the end of the calendar quarter.  
11 The Secretary is authorized and encouraged to use NMLS for the  
12 submission of the report required by this Section provided  
13 that such functionality is consistent with the requirements of  
14 this Section.

15 (b) The authorized delegate report shall include, at a  
16 minimum, each authorized delegate's:

- 17 (1) company legal name;
- 18 (2) taxpayer employer identification number;
- 19 (3) principal provider identifier;
- 20 (4) physical address;
- 21 (5) mailing address;
- 22 (6) any business conducted in other states;
- 23 (7) any fictitious or trade name;
- 24 (8) contact person name, phone number, and email;
- 25 (9) start date as licensee's authorized delegate;

1 (10) end date acting as licensee's authorized  
2 delegate, if applicable;

3 (11) court orders pursuant to Section 8-3; and

4 (12) Any other information the Secretary reasonably  
5 requires with respect to the authorized delegate.

6 Section 7-4. Reports of certain events.

7 (a) A licensee shall file a report with the Secretary  
8 within one business day after the licensee has reason to know  
9 of the occurrence of any of the following events:

10 (1) the filing of a petition by or against the  
11 licensee under the United States Bankruptcy Code, 11  
12 U.S.C. Sections 101 through 110, as amended or recodified  
13 from time to time, for bankruptcy or reorganization;

14 (2) the filing of a petition by or against the  
15 licensee for receivership, the commencement of any other  
16 judicial or administrative proceeding for its dissolution  
17 or reorganization, or the making of a general assignment  
18 for the benefit of its creditors; or

19 (3) the commencement of a proceeding to revoke or  
20 suspend its license in a state or country in which the  
21 licensee engages in business or is licensed.

22 (b) A licensee shall file a report with the Secretary  
23 within 3 business days after the licensee has reason to know of  
24 the occurrence of any of the following events:

25 (1) a charge or conviction of the licensee or of a key



1 individual or person in control of the licensee for a  
2 felony; or

3 (2) a charge or conviction of an authorized delegate  
4 for a felony.

5 Section 7-5. Bank Secrecy Act reports. A licensee and an  
6 authorized delegate shall file all reports required by federal  
7 currency reporting, record keeping, and suspicious activity  
8 reporting requirements as set forth in the Bank Secrecy Act  
9 and other federal and State laws pertaining to money  
10 laundering. The timely filing of a complete and accurate  
11 report required under this Section with the appropriate  
12 federal agency is deemed compliant with the requirements of  
13 this Section.

14 Section 7-6. Records.

15 (a) Licensee shall maintain the following records, for  
16 determining its compliance with this Act, for at least 3  
17 years:

18 (1) a record of each outstanding money transmission  
19 obligation sold;

20 (2) a general ledger posted at least monthly  
21 containing all asset, liability, capital, income, and  
22 expense accounts;

23 (3) bank statements and bank reconciliation records;

24 (4) records of outstanding money transmission

1 obligations;

2 (5) records of each outstanding money transmission  
3 obligation paid within the 3-year period;

4 (6) a list of the last known names and addresses of all  
5 of the licensee's authorized delegates; and

6 (7) any other records the Secretary reasonably  
7 requires by rule.

8 (b) The records specified in subsection (a) may be  
9 maintained in electronic or other retrievable form of record.

10 (c) The records specified in subsection (a) shall be  
11 maintained at the licensee's principal place of business or,  
12 with notice to the Secretary, at another location designated  
13 by the licensee. If the records are maintained outside this  
14 State, the licensee shall make them accessible to the  
15 Secretary on 7 business-days' notice.

16 (d) All records maintained by the licensee as required in  
17 subsections (a) through (c) are open to inspection by the  
18 Secretary pursuant to subsection (a) of Section 4-3.

19 (e) A licensee shall require and its authorized sellers  
20 must preserve for at least 3 years all documents relating to  
21 money transmission activities, unless the data embodied in  
22 those documents has been transmitted for recordation by the  
23 licensee.

24 ARTICLE VIII. Authorized Delegates

1           Section 8-1. Relationship Between licensee and authorized  
2 delegate.

3           (a) As used in this Section, "remit" means to make direct  
4 payments of money to a licensee or its representative  
5 authorized to receive money or to deposit money in a bank in an  
6 account specified by the licensee.

7           (b) Before a licensee is authorized to conduct business  
8 through an authorized delegate or allows a person to act as the  
9 licensee's authorized delegate, the licensee must:

10           (1) adopt, and update as necessary, written policies  
11 and procedures reasonably designed to ensure that the  
12 licensee's authorized delegates comply with applicable  
13 State and federal law;

14           (2) enter into a written contract that complies with  
15 subsection (d); and

16           (3) conduct a reasonable risk-based background  
17 investigation sufficient for the licensee to determine  
18 whether the authorized delegate has complied and will  
19 likely comply with applicable state and federal law.

20           (c) An authorized delegate must operate in full compliance  
21 with this Act.

22           (d) The written contract required by subsection (b) must  
23 be signed by the licensee and the authorized delegate and, at a  
24 minimum, must:

25           (1) expressly appoint the person signing the contract  
26 as the licensee's authorized delegate with the authority

1 to conduct money transmission on behalf of the licensee;

2 (2) set forth the nature and scope of the relationship  
3 between the licensee and the authorized delegate and the  
4 respective rights and responsibilities of the parties;

5 (3) require the authorized delegate to agree to fully  
6 comply with all applicable State and federal laws, rules,  
7 and regulations pertaining to money transmission,  
8 including this Act and regulations implementing this Act,  
9 relevant provisions of the Bank Secrecy Act, and the USA  
10 PATRIOT ACT;

11 (4) require the authorized delegate to remit and  
12 handle money and monetary value in accordance with the  
13 terms of the contract between the licensee and the  
14 authorized delegate;

15 (5) impose a trust on money and monetary value net of  
16 fees received for money transmission for the benefit of  
17 the licensee;

18 (6) require the authorized delegate to prepare and  
19 maintain records as required by this Act or regulations  
20 implementing this Act, or as reasonably requested by the  
21 Secretary;

22 (7) acknowledge that the authorized delegate consents  
23 to examination or investigation by the Secretary;

24 (8) state that the licensee is subject to regulation  
25 by the Secretary and that, as part of that regulation, the  
26 Secretary may suspend or revoke an authorized delegate

1 designation or require the licensee to terminate an  
2 authorized delegate designation; and

3 (9) acknowledge receipt of the written policies and  
4 procedures required under paragraph (1) of subsection (b).

5 (e) If the licensee's license is suspended, revoked,  
6 surrendered, or expired, the licensee must, within 5 business  
7 days, provide documentation to the Secretary that the licensee  
8 has notified all applicable authorized delegates of the  
9 licensee whose names are in a record filed with the Secretary  
10 of the suspension, revocation, surrender, or expiration of a  
11 license. Upon suspension, revocation, surrender, or expiration  
12 of a license, applicable authorized delegates shall  
13 immediately cease to provide money transmission as an  
14 authorized delegate of the licensee.

15 (f) An authorized delegate of a licensee holds in trust  
16 for the benefit of the licensee all money net of fees received  
17 from money transmission. If any authorized delegate commingles  
18 any funds received from money transmission with any other  
19 funds or property owned or controlled by the authorized  
20 delegate, all commingled funds and other property shall be  
21 considered held in trust in favor of the licensee in an amount  
22 equal to the amount of money net of fees received from money  
23 transmission.

24 (g) An authorized delegate may not use a subdelegate to  
25 conduct money transmission on behalf of a licensee.

1           Section 8-2. Unauthorized activities. A person shall not  
2 engage in the business of money transmission on behalf of a  
3 person not licensed under this Act or not exempt pursuant to  
4 Article III of this Act. A person that engages in such activity  
5 provides money transmission to the same extent as if the  
6 person were a licensee, and shall be jointly and severally  
7 liable with the unlicensed or nonexempt person.

8           Section 8-3. Prohibited authorized delegates.

9           (a) The circuit court in an action brought by a licensee  
10 shall have jurisdiction to grant appropriate equitable or  
11 legal relief, including, without limitation, prohibiting the  
12 authorized delegate from directly or indirectly acting as an  
13 authorized delegate for any licensee in this State and the  
14 payment of restitution, damages or other monetary relief, if  
15 the circuit court finds that an authorized delegate failed to  
16 remit money in accordance with the written contract required  
17 by subsection (b) of Section 8-1 or as otherwise directed by  
18 the licensee or required by law.

19           (b) If the circuit court issues an order prohibiting a  
20 person from acting as an authorized delegate for any licensee  
21 pursuant to subsection (a), the licensee that brought the  
22 action shall report the order to the Secretary within 30 days  
23 and shall report the order through NMLS within 90 days.

24           (c) An authorized delegate who holds money in trust for  
25 the benefit of a licensee and knowingly fails to remit more

1 than \$1,000 of such money is guilty of a Class 3 felony.

2 (d) An authorized delegate who holds money in trust for  
3 the benefit of a licensee and knowingly fails to remit no more  
4 than \$999 of such money is guilty of a Class A misdemeanor.

5 ARTICLE IX. Timely Transmission, Refunds, and Disclosures

6 Section 9-1. Timely transmission.

7 (a) Every licensee shall forward all money received for  
8 transmission in accordance with the terms of the agreement  
9 between the licensee and the sender, which shall be no more  
10 than 3 business days after the receipt of the money to be  
11 transmitted, unless the licensee has a reasonable belief or a  
12 reasonable basis to believe that the sender may be a victim of  
13 fraud or that a crime or violation of law, rule, or regulation  
14 has occurred, is occurring, or may occur.

15 (b) If a licensee fails to forward money received for  
16 transmission in accordance with this Section, the licensee  
17 must respond to inquiries by the sender with the reason for the  
18 failure unless providing a response would violate a State or  
19 federal law, rule, or regulation.

20 Section 9-2. Refunds.

21 (a) This Section does not apply to:

22 (1) money received for transmission subject to the  
23 federal Remittance Rule, 12 CFR Part 1005, Subpart B, as

1 amended or recodified from time to time; or

2 (2) money received for transmission pursuant to a  
3 written agreement between the licensee and payee to  
4 process payments for goods or services provided by the  
5 payee.

6 (b) Every licensee shall refund to the sender within 10  
7 days after receipt of the sender's written request for a  
8 refund of any and all money received for transmission unless  
9 any of the following occurs:

10 (1) the money has been forwarded within 10 days after  
11 the date on which the money was received for transmission;

12 (2) instructions have been given committing an  
13 equivalent amount of money to the person designated by the  
14 sender within 10 days of the date on which the money was  
15 received for transmission;

16 (3) the agreement between the licensee and the sender  
17 instructs the licensee to forward the money at a time that  
18 is beyond 10 days after the date on which the money was  
19 received for transmission; if funds have not yet been  
20 forwarded in accordance with the terms of the agreement  
21 between the licensee and the sender, the licensee shall  
22 issue a refund in accordance with the other provisions of  
23 this Section; or

24 (4) the refund is requested for a transaction that the  
25 licensee has not completed based on a reasonable belief or  
26 a reasonable basis to believe that a crime or violation of



1 law, rule, or regulation has occurred, is occurring, or  
2 may occur.

3 (5) the refund request does not enable the licensee  
4 to:

5 (A) identify the sender's name and address or  
6 telephone number; or

7 (B) identify the particular transaction to be  
8 refunded if the sender has multiple transactions  
9 outstanding.

10 Section 9-3. Receipts.

11 (a) As used in this Section, "receipt" means a paper  
12 receipt, electronic record, or other written confirmation. For  
13 a transaction conducted in person, the receipt may be provided  
14 electronically if the sender requests or agrees to receive an  
15 electronic receipt. For a transaction conducted electronically  
16 or by phone, a receipt may be provided electronically. All  
17 electronic receipts shall be provided in a retainable form.

18 (b) This Section does not apply to:

19 (1) Money received for transmission subject to the  
20 federal Remittance Rule, 12 CFR Part 1005, Subpart B, as  
21 amended or recodified from time to time;

22 (2) money received for transmission pursuant to a  
23 written agreement between the licensee and payee to  
24 process payments for goods or services provided by the  
25 payee;

1 (3) payroll processing services; or

2 (4) as authorized in the Secretary's sole discretion.

3 (c) Every licensee or its authorized delegate shall  
4 provide the sender a receipt for money received for  
5 transmission.

6 (1) The receipt shall contain the following  
7 information, as applicable:

8 (A) the name of the sender;

9 (B) the name of the designated recipient;

10 (C) the date of the transaction;

11 (D) the unique transaction or identification  
12 number;

13 (E) the name of the licensee, NMLS Unique ID, the  
14 licensee's business address, and the licensee's  
15 customer service telephone number;

16 (F) the amount of the transaction in United States  
17 dollars;

18 (G) any fee charged by the licensee to the sender  
19 for the transaction; and

20 (H) any taxes collected by the licensee from the  
21 sender for the transaction.

22 (2) The receipt required by this Section shall be in  
23 English and in the language principally used by the  
24 licensee or authorized delegate to advertise, solicit, or  
25 negotiate, either orally or in writing, for a transaction  
26 conducted in person, electronically or by phone, if other

1           than English.

2           Section 9-4. Notice. Every licensee or authorized delegate  
3 shall include on a receipt or disclose on the licensee's  
4 website or mobile application the name and phone number of the  
5 Department and a statement that the licensee's customers can  
6 contact the Department with questions or complaints about the  
7 licensee's money transmission services.

8           Section 9-5. Disclosures for payroll processing services.

9           (a) A licensee that provides payroll processing services  
10 shall:

11                 (1) issue reports to clients detailing client payroll  
12 obligations in advance of the payroll funds being deducted  
13 from an account; and

14                 (2) make worker paystubs or an equivalent statement  
15 available to workers.

16           (b) Subsection (a) does not apply to a licensee providing  
17 payroll processing services where the licensee's client  
18 designates the intended recipients to the licensee and is  
19 responsible for providing the disclosures required by  
20 paragraph (2) of subsection (a).

21                                 ARTICLE X. Prudential Standards

22           Section 10-1. Net worth.

1 (a) A licensee under this Act shall maintain at all times a  
2 tangible net worth of the greater of \$100,000 or 3% of total  
3 assets for the first \$100,000,000, 2% of additional assets for  
4 \$100,000,000 to \$1,000,000,000, and 0.5% of additional assets  
5 for over \$1,000,000,000.

6 (b) Tangible net worth must be demonstrated at initial  
7 application by the applicant's most recent audited or  
8 unaudited financial statements pursuant to paragraph (6) of  
9 subsection (b) of Section 5-3.

10 (c) Notwithstanding the provisions of this Section, the  
11 Secretary shall have discretionary authority to exempt, in  
12 part or in whole, from the requirements of this Section any  
13 applicant or licensee.

14 Section 10-2. Surety bond.

15 (a) An applicant for a money transmission license must  
16 provide, and a licensee at all times must maintain, security  
17 consisting of a surety bond in a form satisfactory to the  
18 Secretary. The bond shall run to the State of Illinois for the  
19 benefit of any claimant against the applicant or licensee with  
20 respect to the receipt, handling, transmission, and payment of  
21 money by the licensee or authorized delegate in connection  
22 with the licensed operations. A claimant damaged by a breach  
23 of the conditions of a bond shall have a right to action upon  
24 the bond for damages suffered thereby and may bring suit  
25 directly on the bond, or the Secretary may bring suit on behalf

1 of the claimant.

2 (b) The amount of the required security shall be the  
3 greater of \$100,000 or an amount equal to 100% of the  
4 licensee's average daily money transmission liability in this  
5 State calculated for the most recently completed quarter, up  
6 to a maximum of \$2,000,000;

7 (c) A licensee that maintains a bond in the maximum amount  
8 provided for in subsection (b) is not required to calculate  
9 its average daily money transmission liability in this State  
10 for purposes of this Section.

11 (d) A licensee may exceed the maximum required bond amount  
12 pursuant to paragraph (5) of subsection (a) of Section 10-4.

13 (e) After receiving a license, the licensee must maintain  
14 the required bond plus net worth until 3 years after it ceases  
15 to do business in this State unless all outstanding payment  
16 instruments are eliminated or the provisions under the Revised  
17 Uniform Unclaimed Property Act have become operative and are  
18 adhered to by the licensee. Notwithstanding this provision,  
19 however, the amount required to be maintained may be reduced  
20 to the extent that the amount of the licensee's payment  
21 instruments outstanding in this State are reduced.

22 (f) Instead of a paper surety bond, each licensee and  
23 applicant shall file and maintain an electronic surety bond in  
24 NMLS or in a manner otherwise authorized by the Secretary.

25 Section 10-3. Maintenance of permissible investments.

1           (a) A licensee shall maintain at all times permissible  
2 investments that have a market value computed in accordance  
3 with United States generally accepted accounting principles of  
4 not less than the aggregate amount of all of its outstanding  
5 money transmission obligations.

6           (b) Except for permissible investments enumerated in  
7 subsection (a) of Section 10-4, the Secretary, with respect to  
8 any licensee, may by rule or order limit the extent to which a  
9 specific investment maintained by a licensee within a class of  
10 permissible investments may be considered a permissible  
11 investment, if the specific investment represents undue risk  
12 to customers, not reflected in the market value of  
13 investments.

14           (c) Permissible investments, even if commingled with other  
15 assets of the licensee, are held in trust for the benefit of  
16 the purchasers and holders of the licensee's outstanding money  
17 transmission obligations in the event of insolvency, the  
18 filing of a petition by or against the licensee under the  
19 United States Bankruptcy Code, 11 U.S.C. Sections 101 through  
20 110, as amended or recodified from time to time, for  
21 bankruptcy or reorganization, the filing of a petition by or  
22 against the licensee for receivership, the commencement of any  
23 other judicial or administrative proceeding for its  
24 dissolution or reorganization, or in the event of an action by  
25 a creditor against the licensee who is not a beneficiary of  
26 this statutory trust. No permissible investments impressed

1 with a trust pursuant to this subsection shall be subject to  
2 attachment, levy of execution, or sequestration by order of  
3 any court, except for a beneficiary of this statutory trust.

4 (d) Upon the establishment of a statutory trust in  
5 accordance with subsection (c) or when any funds are drawn on a  
6 letter of credit pursuant to paragraph (4) of subsection (a)  
7 of Section 10-4, the Secretary shall notify the applicable  
8 regulator of each state in which the licensee is licensed to  
9 engage in money transmission, if any, of the establishment of  
10 the trust or the funds drawn on the letter of credit, as  
11 applicable. Notice shall be deemed satisfied if performed  
12 pursuant to a multistate agreement or through NMLS. Funds  
13 drawn on a letter of credit, and any other permissible  
14 investments held in trust for the benefit of the purchasers  
15 and holders of the licensee's outstanding money transmission  
16 obligations, are deemed held in trust for the benefit of such  
17 purchasers and holders on a pro rata and equitable basis in  
18 accordance with statutes pursuant to which permissible  
19 investments are required to be held in this State, and other  
20 states, as applicable. Any statutory trust established  
21 hereunder shall be terminated upon extinguishment of all of  
22 the licensee's outstanding money transmission obligations.

23 (e) The Secretary by rule or by order may allow other types  
24 of investments that the Secretary determines are of sufficient  
25 liquidity and quality to be a permissible investment. The  
26 Secretary is authorized to participate in efforts with other

1 state regulators to determine that other types of investments  
2 are of sufficient liquidity and quality to be a permissible  
3 investment.

4 Section 10-4. Types of permissible investments.

5 (a) The following investments are permissible under  
6 Section 10-3:

7 (1) Cash, including demand deposits, savings deposits,  
8 and funds in such accounts held for the benefit of the  
9 licensee's customers in an insured depository financial  
10 institution, and cash equivalents including ACH items in  
11 transit to the licensee and ACH items or international  
12 wires in transit to a payee, cash in transit via armored  
13 car, cash in smart safes, cash in licensee-owned  
14 locations, debit card or credit card-funded transmission  
15 receivables owed by any bank, or money market mutual funds  
16 rated "AAA" by S&P, or the equivalent from any eligible  
17 rating service;

18 (2) certificates of deposit or senior debt obligations  
19 of an insured depository institution, as defined in  
20 Section 3 of the Federal Deposit Insurance Act, 12 U.S.C.  
21 1813, as amended or recodified from time to time, or as  
22 defined under the federal Credit Union Act, 12 U.S.C.  
23 1781, as amended or recodified from time to time;

24 (3) an obligation of the United States or a  
25 commission, agency, or instrumentality thereof; an



1 obligation that is guaranteed fully as to principal and  
2 interest by the United States; or an obligation of a State  
3 or a governmental subdivision, agency, or instrumentality  
4 thereof;

5 (4) the full drawable amount of an irrevocable standby  
6 letter of credit for which the stated beneficiary is the  
7 Secretary that stipulates that the beneficiary need only  
8 draw a sight draft under the letter of credit and present  
9 it to obtain funds up to the letter of credit amount within  
10 7 days of presentation of the items required by  
11 subparagraph (C) of this paragraph.

12 (A) The letter of credit must:

13 (i) be issued by an insured depository  
14 financial institution, a foreign bank that is  
15 authorized under federal law to maintain a federal  
16 agency or federal branch office in a State or  
17 states, or a foreign bank that is authorized under  
18 State law to maintain a branch in a State that (I)  
19 bears an eligible rating or whose parent company  
20 bears an eligible rating; and (II) is regulated,  
21 supervised, and examined by United States federal  
22 or State authorities having regulatory authority  
23 over banks, credit unions, and trust companies;

24 (ii) be irrevocable, unconditional, and  
25 indicate that it is not subject to any condition  
26 or qualifications outside of the letter of credit;

1 (iii) not contain reference to any other  
2 agreements, documents, or entities, or otherwise  
3 provide for any security interest in the licensee;  
4 and

5 (iv) contain an issue date and expiration date  
6 and expressly provide for automatic extension,  
7 without a written amendment, for an additional  
8 period of one year from the present or each future  
9 expiration date, unless the issuer of the letter  
10 of credit notifies the Secretary in writing by  
11 certified or registered mail or courier mail or  
12 other receipted means, at least 60 days before any  
13 expiration date, that the irrevocable letter of  
14 credit will not be extended.

15 (B) In the event of any notice of expiration or  
16 nonextension of a letter of credit issued under  
17 subdivision (iv) of subparagraph (A), the licensee  
18 shall be required to demonstrate to the satisfaction  
19 of the Secretary, 15 days before expiration, that the  
20 licensee maintains and will maintain permissible  
21 investments in accordance with subsection (a) of  
22 Section 10-3 upon the expiration of the letter of  
23 credit. If the licensee is not able to do so, the  
24 Secretary may draw on the letter of credit in an amount  
25 up to the amount necessary to meet the licensee's  
26 requirements to maintain permissible investments in



1 administrative proceeding for its dissolution  
2 or reorganization;

3 (III) the seizure of assets of a licensee  
4 by a Secretary pursuant to an emergency  
5 order issued in accordance with applicable  
6 law, on the basis of an action, violation,  
7 or condition that has caused or is likely  
8 to cause the insolvency of the licensee;  
9 or

10 (IV) the beneficiary has received notice  
11 of expiration or nonextension of a letter  
12 of credit and the licensee failed to  
13 demonstrate to the satisfaction of the  
14 beneficiary that the licensee will  
15 maintain permissible investments in  
16 accordance with subsection (a) of Section  
17 10-3 upon the expiration or nonextension  
18 of the letter of credit.

19 (D) The Secretary may designate an agent to serve  
20 on the Secretary's behalf as beneficiary to a letter  
21 of credit so long as the agent and letter of credit  
22 meet requirements established by the Secretary. The  
23 Secretary's agent may serve as agent for multiple  
24 licensing authorities for a single irrevocable letter  
25 of credit if the proceeds of the drawable amount for  
26 the purposes of this Section are assigned to the

1 Secretary.

2 (E) The Secretary is authorized and encouraged to  
3 participate in multistate processes designed to  
4 facilitate the issuance and administration of letters  
5 of credit, including, but not limited to, services  
6 provided by the NMLS and State Regulatory Registry,  
7 LLC.

8 (5) 100% of the surety bond or deposit provided for  
9 under Section 10-2 that exceeds the average daily money  
10 transmission liability in this State.

11 (b) Unless permitted by the Secretary by rule or by order  
12 to exceed the limit as set forth herein, the following  
13 investments are permissible under Section 10-3 to the extent  
14 specified:

15 (1) receivables that are payable to a licensee from  
16 its authorized delegates in the ordinary course of  
17 business that are less than 7 days old, up to 50% of the  
18 aggregate value of the licensee's total permissible  
19 investments;

20 (2) of the receivables permissible under paragraph (1)  
21 of this subsection (b), receivables that are payable to a  
22 licensee from a single authorized delegate in the ordinary  
23 course of business may not exceed 10% of the aggregate  
24 value of the licensee's total permissible investments.

25 (3) the following investments are permissible up to  
26 20% per category and combined up to 50% of the aggregate

1 value of the licensee's total permissible investments:

2 (A) a short-term, of up to 6 months, investment  
3 bearing an eligible rating;

4 (B) commercial paper bearing an eligible rating;

5 (C) a bill, note, bond, or debenture bearing an  
6 eligible rating;

7 (D) U.S. tri-party repurchase agreements  
8 collateralized at 100% or more with U.S. government or  
9 agency securities, municipal bonds, or other  
10 securities bearing an eligible rating;

11 (E) money market mutual funds rated less than  
12 "AAA" and equal to or higher than "A-" by S&P, or the  
13 equivalent from any other eligible rating service; and

14 (F) a mutual fund or other investment fund  
15 composed solely and exclusively of one or more  
16 permissible investments listed in paragraphs (1)  
17 through (3) of subsection (a).

18 (4) cash, including demand deposits, savings deposits,  
19 and funds in such accounts held for the benefit of the  
20 licensee's customers, at foreign depository institutions  
21 are permissible up to 10% of the aggregate value of the  
22 licensee's total permissible investments if the licensee  
23 has received a satisfactory rating in its most recent  
24 examination and the foreign depository institution:

25 (A) has an eligible rating;

26 (B) is registered under the Foreign Account Tax

1 Compliance Act;

2 (C) is not located in any country subject to  
3 sanctions from the Office of Foreign Asset Control;  
4 and

5 (D) is not located in a high-risk or  
6 non-cooperative jurisdiction as designated by the  
7 Financial Action Task Force.

8 ARTICLE XI. Enforcement

9 Section 11-1. Prohibited acts and practices for licensees.  
10 It is a violation of this Act for a licensee, or other person  
11 subject to this Act to:

12 (1) directly or indirectly employ any scheme, device,  
13 or artifice to defraud or mislead any person, including,  
14 but not limited to, engaging in bait and switch  
15 advertising or sales practices;

16 (2) directly or indirectly engage in any unfair or  
17 deceptive act or practice toward any person, including,  
18 but not limited to, any false or deceptive statement about  
19 fees or other terms of a money transmission or currency  
20 exchange;

21 (3) directly or indirectly obtain property by fraud or  
22 misrepresentation;

23 (4) knowingly make, publish, or disseminate any false,  
24 deceptive, or misleading information in the provision of

1 money services;

2 (5) knowingly receive or take possession for personal  
3 use of any property of any money services business, other  
4 than in payment for services rendered, and with intent to  
5 defraud, omit to make, or cause or direct to omit to make,  
6 a full and true entry thereof in the books and accounts of  
7 the business;

8 (6) make or concur in making any false entry, or omit  
9 or concur in omitting any material entry, in the books or  
10 accounts of the business;

11 (7) knowingly make or publish to the Director or the  
12 Director's designee, or concur in making or publishing to  
13 the Director or the Director's designee any written  
14 report, exhibit, or statement of its affairs or pecuniary  
15 condition containing any material statement which is  
16 false, or omit or concur in omitting any statement  
17 required by law to be contained therein;

18 (8) fail to make any report or statement lawfully  
19 required by the Director or other public official.

20 (9) demonstrate by course of conduct, negligence or  
21 incompetence in performing any act directly or indirectly  
22 relating to licensed activity;

23 (10) engage in unsafe and unsound practices directly  
24 or indirectly relating to licensed activity; or

25 (11) fail to comply with the provisions of this Act or  
26 with any lawful order or agreement, rule, or regulations



1           made or issued under the provisions of this Act.

2           Section 11-2. Suspension and revocation of licenses.

3           (a) The Secretary may issue an order to suspend or revoke a  
4 license of a licensee or order a licensee to revoke the  
5 designation of an authorized delegate if:

6           (1) the licensee has failed to comply with any  
7 provision of this Act, or any order, decision, finding,  
8 rule, regulation or direction of the Secretary lawfully  
9 made pursuant to the authority of this Act;

10          (2) the licensee does not cooperate with an  
11 examination or investigation by the Secretary;

12          (3) the licensee engages in fraud, intentional  
13 misrepresentation, or gross negligence;

14          (4) an authorized delegate is convicted of a violation  
15 of a State or federal anti-money laundering statute, or  
16 violates a rule adopted or an order issued under this Act,  
17 as a result of the licensee's willful misconduct or  
18 grossly negligent inattention to its legal obligations;

19          (5) the competence, experience, character, or general  
20 fitness of the licensee, authorized delegate, person in  
21 control of a licensee, key individual, or responsible  
22 person of the authorized delegate indicates that it is not  
23 in the public interest to permit the person to provide  
24 money transmission;

25          (6) the licensee engages in an unsafe or unsound

1 practice;

2 (7) the licensee is insolvent, suspends payment of its  
3 obligations, or makes a general assignment for the benefit  
4 of its creditors;

5 (8) the licensee does not remove an authorized  
6 delegate after the Secretary issues and serves upon the  
7 licensee a final order including a finding that the  
8 authorized delegate has violated this Act;

9 (9) a fact or condition exists that, if it had existed  
10 or had been known at the time the licensee applied for its  
11 license, would have been ground for denying the  
12 application;

13 (10) the licensee knowingly fails to make a report  
14 required by this Act;

15 (11) the licensee fails to pay a judgment entered in  
16 favor of a claimant, plaintiff, or credit in an action  
17 arising out of the licensee's business regulated under  
18 this Act within 30 days after the judgment becomes final  
19 or within 30 days after the expiration or termination of a  
20 stay of execution;

21 (12) the licensee has been convicted under the laws of  
22 this State, another state, or the United States of a  
23 felony or of a crime involving breach of trust or  
24 dishonesty; or

25 (13) the licensee violates the Illinois Uniform  
26 Revised Unclaimed Property Act.

1           (b) In determining whether a licensee is engaging in an  
2 unsafe or unsound practice, the Secretary may consider the  
3 size and condition of the licensee's money transmission, the  
4 magnitude of the loss, the gravity of the violation of this  
5 Act, and the previous conduct of the person involved.

6           (c) In every case in which a license is suspended or  
7 revoked, the Secretary shall issue a formal written notice of  
8 the suspension or revocation, setting forth the specific  
9 reasons for the suspension or revocation of the license and  
10 serve the licensee, either personally or by certified mail.  
11 Service by certified mail shall be deemed completed when the  
12 notice is deposited into U.S. Mail and the order of suspension  
13 or revocation of a license shall take effect upon service of  
14 the order.

15           (d) A licensee whose license has been suspended or revoked  
16 by the Secretary under this Section may request a hearing, in  
17 writing, within 10 days after the date of service. If a  
18 licensee submits a timely request for a hearing, the order  
19 shall be stayed until a final administrative order is entered  
20 and the Secretary shall schedule a hearing unless otherwise  
21 agreed to by the parties.

22           (e) The Secretary shall conduct hearings pursuant to this  
23 Section and in accordance with 38 Ill. Adm. Code 100, as  
24 amended or recodified from time to time.

25           Section 11-3. Suspension and revocation of authorized

1 delegates.

2 (a) The Secretary may issue an order to suspend or revoke  
3 the designation of an authorized delegate, if the Secretary  
4 finds that:

5 (1) the authorized delegate has failed to comply with  
6 any provision of this Act or any order, decision, finding,  
7 rule, regulation, or direction of the Secretary lawfully  
8 made pursuant to the authority of this Act;

9 (2) the authorized delegate does not cooperate with an  
10 examination or investigation by the Secretary;

11 (3) the authorized delegate engages in fraud,  
12 intentional misrepresentation, or gross negligence;

13 (4) the authorized delegate is convicted of a  
14 violation of a State or federal anti-money laundering  
15 statute;

16 (5) the competence, experience, character, or general  
17 fitness of the authorized delegate or a person in control  
18 of the authorized delegate indicates that it is not in the  
19 public interest to permit the authorized delegate to  
20 provide money transmission; or

21 (6) the authorized delegate engages in an unsafe or  
22 unsound practice.

23 (b) In determining whether an authorized delegate is  
24 engaging in an unsafe or unsound practice, the Secretary may  
25 consider the size and condition of the authorized delegate's  
26 provision of money transmission, the magnitude of the loss,

1 the gravity of the violation of this Act or a rule adopted or  
2 order issued under this Act, and the previous conduct of the  
3 authorized delegate.

4 (c) In every case in which the designation of an  
5 authorized delegate is suspended or revoked, the Secretary  
6 shall issue a formal written notice of the suspension or  
7 revocation, setting forth the specific reasons for the  
8 suspension or revocation of the designation and serve the  
9 authorized delegate, either personally or by certified mail.  
10 Service by certified mail shall be deemed completed when the  
11 notice is deposited into U.S. Mail and the order of suspension  
12 or revocation of a license shall take effect upon service of  
13 the order.

14 (d) An authorized delegate whose designation has been  
15 suspended or revoked by the Secretary under this Section may  
16 request a hearing, in writing, within 10 days after the date of  
17 service. If an authorized delegate submits a timely request  
18 for a hearing, the order shall be stayed until a final  
19 administrative order is entered and the Secretary shall  
20 schedule a hearing unless otherwise agreed to by the parties.

21 (e) The Secretary shall conduct hearings pursuant to this  
22 Section and in accordance with 38 Ill. Adm. Code 100, as  
23 amended or recodified from time to time.

24 Section 11-4. Orders to cease and desist and civil  
25 penalties.

1           (a) If the Secretary determines that a licensee, an  
2 authorized delegate, or any other person has engaged or is  
3 engaged in practices contrary to this Act, the rules adopted  
4 under this Act, or an order issued under this Act, the  
5 Secretary may issue an order requiring the licensee or  
6 authorized delegate to cease and desist from the violation.  
7 The order becomes effective upon service of it upon the  
8 licensee or authorized delegate.

9           (b) The Secretary may issue an order against a licensee to  
10 cease and desist from providing money transmission through an  
11 authorized delegate that is the subject of a separate order by  
12 the Secretary.

13           (c) The Secretary may, in addition to or without the  
14 issuance of a cease and desist order, assess a penalty up to  
15 \$1,000 against a licensee or other person for each violation  
16 of this Act, the rules adopted under this Act, or an order  
17 issued under this Act as set forth in Section 11-6. The  
18 issuance of an order under this Section shall not be a  
19 prerequisite to the taking of any action by the Secretary  
20 under this or any other Section of this Act.

21           (d) The Secretary shall issue a formal written notice of  
22 the cease and desist order, setting forth the specific reasons  
23 for the order and serve the licensee or the authorized  
24 delegate, either personally or by certified mail. Service by  
25 certified mail shall be deemed completed when the notice is  
26 deposited in the U.S. Mail.

1 Section 11-5. Consent orders; settlements.

2 (a) The Secretary may enter into a consent order or  
3 settlement agreement at any time with a person to resolve a  
4 matter arising under this Act, the rules adopted under this  
5 Act, or order issued under this Act. A consent order or  
6 settlement agreement must be signed by the person to whom it is  
7 issued or by the person's authorized representative, and must  
8 indicate agreement with the terms contained in the order. A  
9 consent order or settlement agreement may provide that it does  
10 not constitute an admission by a person that this Act or a rule  
11 adopted or an order issued under this Act has been violated.

12 (b) Notwithstanding the issuance of a consent order or  
13 settlement agreement, the Secretary may seek civil or criminal  
14 penalties or compromise civil penalties concerning matter  
15 encompassed by the consent order unless the consent order by  
16 its terms expressly precludes the Secretary from doing so.

17 (c) The Secretary is authorized to compromise, settle, and  
18 collect civil penalties and administrative penalties, as set  
19 by rule, with any person for violations of this Act or of any  
20 rule or order issued or adopted under this Act.

21 Section 11-6. Criminal penalties. A person who engages in  
22 conduct requiring a license under this Act and fails to obtain  
23 a license from the Secretary or knowingly makes a false  
24 statement, misrepresentation, or false certification in an

1 application, financial statement, account record, report, or  
2 other document filed or required to be maintained or filed  
3 under this Act or who knowingly makes a false entry or omits a  
4 material entry in a document is guilty of a Class 3 felony.

5 Section 11-7. Civil penalties. The Secretary may assess a  
6 civil penalty against a person that violates this Act, a rule  
7 adopted or an order issued under this Act in an amount not to  
8 exceed \$1,000 per day for each day the violation is  
9 outstanding, plus this State's costs and expenses for the  
10 investigation and prosecution of the matter, including  
11 reasonable attorney's fees. Each transaction in violation of  
12 this Act or the rules adopted under this Act or issued under  
13 this Act, for each day that a violation continues shall be a  
14 separate offense.

15 Section 11-8. Unlicensed persons. Any person who, without  
16 the required license, engages in conduct requiring a license  
17 under this Act shall be liable to the Department in an amount  
18 equal to the greater of (1) \$5,000 or (2) an amount of money  
19 accepted for transmission plus an amount equal to 3 times the  
20 amount accepted for transmission. The Department shall cause  
21 any funds so recovered to be deposited into the TOMA Consumer  
22 Protection Fund.

23 Section 11-9. Judicial review. All final administrative



1 decisions of the Department under this Act are subject to  
2 judicial review under the Administrative Review Law and any  
3 rules adopted under the Administrative Review Law.

4 ARTICLE XII. Miscellaneous Provisions

5 Section 12-1. Uniformity of application and construction.  
6 In applying and construing this Act, consideration must be  
7 given to the need to promote uniformity of the law with respect  
8 to its subject matter among states that enact it.

9 Section 12-2. Severability. The provisions of this Act are  
10 severable under Section 1.31 of the Statute on Statutes.

11 Section 12-3. Transition period.

12 (a) Licensees pursuant to the Transmitters of Money Act in  
13 good standing on the effective date of this Act shall be  
14 licensed under this Act upon the filing of and approval by the  
15 Department of a renewal application in accordance with Section  
16 5-6 and may continue to operate lawfully as a licensee in this  
17 State unless and until their next renewal application after  
18 the effective date is denied by the Department. An authorized  
19 seller of licensee pursuant to the Transmitters of Money Act  
20 in good standing as of the effective date shall become an  
21 authorized delegate of a licensee upon the filing of and  
22 approval by the Department of a renewal application by the

1 licensee in accordance with Section 5-6 and may continue to  
2 operate lawfully in this State as an authorized delegate of a  
3 licensee unless and until the licensee's next renewal  
4 application after the effective date is denied by the  
5 Department.

6 (b) A person licensed in this State to engage in the  
7 business of money transmission and their authorized sellers  
8 shall not be subject to the provisions of this Act, to the  
9 extent that they conflict with the Transmitters of Money Act  
10 or establish new requirements not imposed under the  
11 Transmitters of Money Act, until the licensee renews its  
12 current license or for 6 months after the effective date of  
13 this Act, whichever is later, so long as they comply with the  
14 Transmitters of Money Act and its implementing rules.

15 (c) Notwithstanding subsection (a), a licensee shall only  
16 be required to amend its authorized delegate contracts for  
17 contracts entered into or amended after the effective date of  
18 this Act or the completion of any transition period  
19 contemplated under subsection (b). Nothing herein shall be  
20 construed as limiting an authorized delegate's obligations to  
21 operate in full compliance with this Act as required by  
22 subsection (c) of Section 8-1 after the time period set forth  
23 in subsection (b).

24 (d) A person not required to be licensed pursuant to the  
25 Transmitters of Money Act shall not be required to be licensed  
26 and comply with this Act until January 1, 2026, unless the

1 Secretary extends the time by rule.

2 (e) A provider of payroll processing services that was not  
3 licensed pursuant to the Transmitters of Money Act on the  
4 effective date of this Act and transmitted no more than  
5 \$10,000,000 in calendar year 2023 shall not be required to be  
6 licensed and comply with this Act until October 1, 2024. A  
7 provider of payroll processing services that was not licensed  
8 pursuant to the Transmitters of Money Act on the effective  
9 date of this Act and transmitted no more than \$10,000,000 in  
10 calendar year 2023 shall not be penalized for providing such  
11 services before the effective date of this Act if the provider  
12 submits a completed application for licensure prior to October  
13 1, 2024.

14 (f) Except as otherwise stated, this Act supersedes the  
15 Transmitters of Money Act.

16 Section 12-4. TOMA Consumer Protection Fund.

17 (a) The special income-earning fund in the State treasury  
18 is known as the TOMA Consumer Protection Fund.

19 (b) All moneys paid into the fund together with all  
20 accumulated undistributed income thereon shall be held as a  
21 special fund in the State treasury. The fund shall be used  
22 solely for the purpose of providing restitution to consumers  
23 who have suffered monetary loss arising out of a transaction  
24 regulated by this Act.

25 (c) The fund shall be applied only to restitution when

1 restitution has been ordered by the Secretary. Restitution  
2 shall not exceed the amount actually lost by the consumer. The  
3 fund shall not be used for the payment of any attorney or other  
4 fees.

5 (d) The fund shall be subrogated to the amount of the  
6 restitution, and the Secretary shall request the Attorney  
7 General to engage in all reasonable collection steps to  
8 collect restitution from the party responsible for the loss  
9 and reimburse the fund.

10 (e) Notwithstanding any other provisions of this Section,  
11 the payment of restitution from the fund shall be a matter of  
12 grace and not of right, and no consumer shall have any vested  
13 rights in the fund as a beneficiary or otherwise. Before  
14 seeking restitution from the fund, the consumer or beneficiary  
15 seeking payment of restitution shall apply for restitution on  
16 a form provided by the Secretary. The form shall include any  
17 information the Secretary may reasonably require in order to  
18 determine that restitution is appropriate.

19 (f) Notwithstanding any other provision of this Section,  
20 moneys in the TOMA Consumer Protection Fund may be transferred  
21 to the Professions Indirect Cost Fund, as authorized under  
22 Section 2105-300 of the Department of Professional Regulation  
23 Law of the Civil Administrative Code of Illinois.

24 Article 900. Amendatory provisions

1 Section 900-5. The Freedom of Information Act is amended  
2 by changing Section 7.5 as follows:

3 (5 ILCS 140/7.5)

4 (Text of Section before amendment by P.A. 103-472)

5 Sec. 7.5. Statutory exemptions. To the extent provided for  
6 by the statutes referenced below, the following shall be  
7 exempt from inspection and copying:

8 (a) All information determined to be confidential  
9 under Section 4002 of the Technology Advancement and  
10 Development Act.

11 (b) Library circulation and order records identifying  
12 library users with specific materials under the Library  
13 Records Confidentiality Act.

14 (c) Applications, related documents, and medical  
15 records received by the Experimental Organ Transplantation  
16 Procedures Board and any and all documents or other  
17 records prepared by the Experimental Organ Transplantation  
18 Procedures Board or its staff relating to applications it  
19 has received.

20 (d) Information and records held by the Department of  
21 Public Health and its authorized representatives relating  
22 to known or suspected cases of sexually transmissible  
23 disease or any information the disclosure of which is  
24 restricted under the Illinois Sexually Transmissible  
25 Disease Control Act.

1           (e) Information the disclosure of which is exempted  
2 under Section 30 of the Radon Industry Licensing Act.

3           (f) Firm performance evaluations under Section 55 of  
4 the Architectural, Engineering, and Land Surveying  
5 Qualifications Based Selection Act.

6           (g) Information the disclosure of which is restricted  
7 and exempted under Section 50 of the Illinois Prepaid  
8 Tuition Act.

9           (h) Information the disclosure of which is exempted  
10 under the State Officials and Employees Ethics Act, and  
11 records of any lawfully created State or local inspector  
12 general's office that would be exempt if created or  
13 obtained by an Executive Inspector General's office under  
14 that Act.

15           (i) Information contained in a local emergency energy  
16 plan submitted to a municipality in accordance with a  
17 local emergency energy plan ordinance that is adopted  
18 under Section 11-21.5-5 of the Illinois Municipal Code.

19           (j) Information and data concerning the distribution  
20 of surcharge moneys collected and remitted by carriers  
21 under the Emergency Telephone System Act.

22           (k) Law enforcement officer identification information  
23 or driver identification information compiled by a law  
24 enforcement agency or the Department of Transportation  
25 under Section 11-212 of the Illinois Vehicle Code.

26           (l) Records and information provided to a residential

1 health care facility resident sexual assault and death  
2 review team or the Executive Council under the Abuse  
3 Prevention Review Team Act.

4 (m) Information provided to the predatory lending  
5 database created pursuant to Article 3 of the Residential  
6 Real Property Disclosure Act, except to the extent  
7 authorized under that Article.

8 (n) Defense budgets and petitions for certification of  
9 compensation and expenses for court appointed trial  
10 counsel as provided under Sections 10 and 15 of the  
11 Capital Crimes Litigation Act (repealed). This subsection  
12 (n) shall apply until the conclusion of the trial of the  
13 case, even if the prosecution chooses not to pursue the  
14 death penalty prior to trial or sentencing.

15 (o) Information that is prohibited from being  
16 disclosed under Section 4 of the Illinois Health and  
17 Hazardous Substances Registry Act.

18 (p) Security portions of system safety program plans,  
19 investigation reports, surveys, schedules, lists, data, or  
20 information compiled, collected, or prepared by or for the  
21 Department of Transportation under Sections 2705-300 and  
22 2705-616 of the Department of Transportation Law of the  
23 Civil Administrative Code of Illinois, the Regional  
24 Transportation Authority under Section 2.11 of the  
25 Regional Transportation Authority Act, or the St. Clair  
26 County Transit District under the Bi-State Transit Safety

1 Act (repealed).

2 (q) Information prohibited from being disclosed by the  
3 Personnel Record Review Act.

4 (r) Information prohibited from being disclosed by the  
5 Illinois School Student Records Act.

6 (s) Information the disclosure of which is restricted  
7 under Section 5-108 of the Public Utilities Act.

8 (t) (Blank).

9 (u) Records and information provided to an independent  
10 team of experts under the Developmental Disability and  
11 Mental Health Safety Act (also known as Brian's Law).

12 (v) Names and information of people who have applied  
13 for or received Firearm Owner's Identification Cards under  
14 the Firearm Owners Identification Card Act or applied for  
15 or received a concealed carry license under the Firearm  
16 Concealed Carry Act, unless otherwise authorized by the  
17 Firearm Concealed Carry Act; and databases under the  
18 Firearm Concealed Carry Act, records of the Concealed  
19 Carry Licensing Review Board under the Firearm Concealed  
20 Carry Act, and law enforcement agency objections under the  
21 Firearm Concealed Carry Act.

22 (v-5) Records of the Firearm Owner's Identification  
23 Card Review Board that are exempted from disclosure under  
24 Section 10 of the Firearm Owners Identification Card Act.

25 (w) Personally identifiable information which is  
26 exempted from disclosure under subsection (g) of Section



1 19.1 of the Toll Highway Act.

2 (x) Information which is exempted from disclosure  
3 under Section 5-1014.3 of the Counties Code or Section  
4 8-11-21 of the Illinois Municipal Code.

5 (y) Confidential information under the Adult  
6 Protective Services Act and its predecessor enabling  
7 statute, the Elder Abuse and Neglect Act, including  
8 information about the identity and administrative finding  
9 against any caregiver of a verified and substantiated  
10 decision of abuse, neglect, or financial exploitation of  
11 an eligible adult maintained in the Registry established  
12 under Section 7.5 of the Adult Protective Services Act.

13 (z) Records and information provided to a fatality  
14 review team or the Illinois Fatality Review Team Advisory  
15 Council under Section 15 of the Adult Protective Services  
16 Act.

17 (aa) Information which is exempted from disclosure  
18 under Section 2.37 of the Wildlife Code.

19 (bb) Information which is or was prohibited from  
20 disclosure by the Juvenile Court Act of 1987.

21 (cc) Recordings made under the Law Enforcement  
22 Officer-Worn Body Camera Act, except to the extent  
23 authorized under that Act.

24 (dd) Information that is prohibited from being  
25 disclosed under Section 45 of the Condominium and Common  
26 Interest Community Ombudsperson Act.

1           (ee) Information that is exempted from disclosure  
2 under Section 30.1 of the Pharmacy Practice Act.

3           (ff) Information that is exempted from disclosure  
4 under the Revised Uniform Unclaimed Property Act.

5           (gg) Information that is prohibited from being  
6 disclosed under Section 7-603.5 of the Illinois Vehicle  
7 Code.

8           (hh) Records that are exempt from disclosure under  
9 Section 1A-16.7 of the Election Code.

10          (ii) Information which is exempted from disclosure  
11 under Section 2505-800 of the Department of Revenue Law of  
12 the Civil Administrative Code of Illinois.

13          (jj) Information and reports that are required to be  
14 submitted to the Department of Labor by registering day  
15 and temporary labor service agencies but are exempt from  
16 disclosure under subsection (a-1) of Section 45 of the Day  
17 and Temporary Labor Services Act.

18          (kk) Information prohibited from disclosure under the  
19 Seizure and Forfeiture Reporting Act.

20          (ll) Information the disclosure of which is restricted  
21 and exempted under Section 5-30.8 of the Illinois Public  
22 Aid Code.

23          (mm) Records that are exempt from disclosure under  
24 Section 4.2 of the Crime Victims Compensation Act.

25          (nn) Information that is exempt from disclosure under  
26 Section 70 of the Higher Education Student Assistance Act.

1           (oo) Communications, notes, records, and reports  
2 arising out of a peer support counseling session  
3 prohibited from disclosure under the First Responders  
4 Suicide Prevention Act.

5           (pp) Names and all identifying information relating to  
6 an employee of an emergency services provider or law  
7 enforcement agency under the First Responders Suicide  
8 Prevention Act.

9           (qq) Information and records held by the Department of  
10 Public Health and its authorized representatives collected  
11 under the Reproductive Health Act.

12           (rr) Information that is exempt from disclosure under  
13 the Cannabis Regulation and Tax Act.

14           (ss) Data reported by an employer to the Department of  
15 Human Rights pursuant to Section 2-108 of the Illinois  
16 Human Rights Act.

17           (tt) Recordings made under the Children's Advocacy  
18 Center Act, except to the extent authorized under that  
19 Act.

20           (uu) Information that is exempt from disclosure under  
21 Section 50 of the Sexual Assault Evidence Submission Act.

22           (vv) Information that is exempt from disclosure under  
23 subsections (f) and (j) of Section 5-36 of the Illinois  
24 Public Aid Code.

25           (wv) Information that is exempt from disclosure under  
26 Section 16.8 of the State Treasurer Act.

1           (xx) Information that is exempt from disclosure or  
2 information that shall not be made public under the  
3 Illinois Insurance Code.

4           (yy) Information prohibited from being disclosed under  
5 the Illinois Educational Labor Relations Act.

6           (zz) Information prohibited from being disclosed under  
7 the Illinois Public Labor Relations Act.

8           (aaa) Information prohibited from being disclosed  
9 under Section 1-167 of the Illinois Pension Code.

10           (bbb) Information that is prohibited from disclosure  
11 by the Illinois Police Training Act and the Illinois State  
12 Police Act.

13           (ccc) Records exempt from disclosure under Section  
14 2605-304 of the Illinois State Police Law of the Civil  
15 Administrative Code of Illinois.

16           (ddd) Information prohibited from being disclosed  
17 under Section 35 of the Address Confidentiality for  
18 Victims of Domestic Violence, Sexual Assault, Human  
19 Trafficking, or Stalking Act.

20           (eee) Information prohibited from being disclosed  
21 under subsection (b) of Section 75 of the Domestic  
22 Violence Fatality Review Act.

23           (fff) Images from cameras under the Expressway Camera  
24 Act. This subsection (fff) is inoperative on and after  
25 July 1, 2025.

26           (ggg) Information prohibited from disclosure under

1 paragraph (3) of subsection (a) of Section 14 of the Nurse  
2 Agency Licensing Act.

3 (hhh) Information submitted to the Illinois State  
4 Police in an affidavit or application for an assault  
5 weapon endorsement, assault weapon attachment endorsement,  
6 .50 caliber rifle endorsement, or .50 caliber cartridge  
7 endorsement under the Firearm Owners Identification Card  
8 Act.

9 (iii) Data exempt from disclosure under Section 50 of  
10 the School Safety Drill Act.

11 (jjj) ~~(hhh)~~ Information exempt from disclosure under  
12 Section 30 of the Insurance Data Security Law.

13 (kkk) ~~(iii)~~ Confidential business information  
14 prohibited from disclosure under Section 45 of the Paint  
15 Stewardship Act.

16 (mmm) Information prohibited from being disclosed  
17 under Section 4-2 of the Uniform Money Transmission  
18 Modernization Act.

19 (Source: P.A. 102-36, eff. 6-25-21; 102-237, eff. 1-1-22;  
20 102-292, eff. 1-1-22; 102-520, eff. 8-20-21; 102-559, eff.  
21 8-20-21; 102-813, eff. 5-13-22; 102-946, eff. 7-1-22;  
22 102-1042, eff. 6-3-22; 102-1116, eff. 1-10-23; 103-8, eff.  
23 6-7-23; 103-34, eff. 6-9-23; 103-142, eff. 1-1-24; 103-372,  
24 eff. 1-1-24; 103-508, eff. 8-4-23; revised 9-5-23.)

25 (Text of Section after amendment by P.A. 103-472)

1           Sec. 7.5. Statutory exemptions. To the extent provided for  
2 by the statutes referenced below, the following shall be  
3 exempt from inspection and copying:

4           (a) All information determined to be confidential  
5 under Section 4002 of the Technology Advancement and  
6 Development Act.

7           (b) Library circulation and order records identifying  
8 library users with specific materials under the Library  
9 Records Confidentiality Act.

10          (c) Applications, related documents, and medical  
11 records received by the Experimental Organ Transplantation  
12 Procedures Board and any and all documents or other  
13 records prepared by the Experimental Organ Transplantation  
14 Procedures Board or its staff relating to applications it  
15 has received.

16          (d) Information and records held by the Department of  
17 Public Health and its authorized representatives relating  
18 to known or suspected cases of sexually transmissible  
19 disease or any information the disclosure of which is  
20 restricted under the Illinois Sexually Transmissible  
21 Disease Control Act.

22          (e) Information the disclosure of which is exempted  
23 under Section 30 of the Radon Industry Licensing Act.

24          (f) Firm performance evaluations under Section 55 of  
25 the Architectural, Engineering, and Land Surveying  
26 Qualifications Based Selection Act.

1 (g) Information the disclosure of which is restricted  
2 and exempted under Section 50 of the Illinois Prepaid  
3 Tuition Act.

4 (h) Information the disclosure of which is exempted  
5 under the State Officials and Employees Ethics Act, and  
6 records of any lawfully created State or local inspector  
7 general's office that would be exempt if created or  
8 obtained by an Executive Inspector General's office under  
9 that Act.

10 (i) Information contained in a local emergency energy  
11 plan submitted to a municipality in accordance with a  
12 local emergency energy plan ordinance that is adopted  
13 under Section 11-21.5-5 of the Illinois Municipal Code.

14 (j) Information and data concerning the distribution  
15 of surcharge moneys collected and remitted by carriers  
16 under the Emergency Telephone System Act.

17 (k) Law enforcement officer identification information  
18 or driver identification information compiled by a law  
19 enforcement agency or the Department of Transportation  
20 under Section 11-212 of the Illinois Vehicle Code.

21 (l) Records and information provided to a residential  
22 health care facility resident sexual assault and death  
23 review team or the Executive Council under the Abuse  
24 Prevention Review Team Act.

25 (m) Information provided to the predatory lending  
26 database created pursuant to Article 3 of the Residential

1 Real Property Disclosure Act, except to the extent  
2 authorized under that Article.

3 (n) Defense budgets and petitions for certification of  
4 compensation and expenses for court appointed trial  
5 counsel as provided under Sections 10 and 15 of the  
6 Capital Crimes Litigation Act (repealed). This subsection  
7 (n) shall apply until the conclusion of the trial of the  
8 case, even if the prosecution chooses not to pursue the  
9 death penalty prior to trial or sentencing.

10 (o) Information that is prohibited from being  
11 disclosed under Section 4 of the Illinois Health and  
12 Hazardous Substances Registry Act.

13 (p) Security portions of system safety program plans,  
14 investigation reports, surveys, schedules, lists, data, or  
15 information compiled, collected, or prepared by or for the  
16 Department of Transportation under Sections 2705-300 and  
17 2705-616 of the Department of Transportation Law of the  
18 Civil Administrative Code of Illinois, the Regional  
19 Transportation Authority under Section 2.11 of the  
20 Regional Transportation Authority Act, or the St. Clair  
21 County Transit District under the Bi-State Transit Safety  
22 Act (repealed).

23 (q) Information prohibited from being disclosed by the  
24 Personnel Record Review Act.

25 (r) Information prohibited from being disclosed by the  
26 Illinois School Student Records Act.



1           (s) Information the disclosure of which is restricted  
2 under Section 5-108 of the Public Utilities Act.

3           (t) (Blank).

4           (u) Records and information provided to an independent  
5 team of experts under the Developmental Disability and  
6 Mental Health Safety Act (also known as Brian's Law).

7           (v) Names and information of people who have applied  
8 for or received Firearm Owner's Identification Cards under  
9 the Firearm Owners Identification Card Act or applied for  
10 or received a concealed carry license under the Firearm  
11 Concealed Carry Act, unless otherwise authorized by the  
12 Firearm Concealed Carry Act; and databases under the  
13 Firearm Concealed Carry Act, records of the Concealed  
14 Carry Licensing Review Board under the Firearm Concealed  
15 Carry Act, and law enforcement agency objections under the  
16 Firearm Concealed Carry Act.

17           (v-5) Records of the Firearm Owner's Identification  
18 Card Review Board that are exempted from disclosure under  
19 Section 10 of the Firearm Owners Identification Card Act.

20           (w) Personally identifiable information which is  
21 exempted from disclosure under subsection (g) of Section  
22 19.1 of the Toll Highway Act.

23           (x) Information which is exempted from disclosure  
24 under Section 5-1014.3 of the Counties Code or Section  
25 8-11-21 of the Illinois Municipal Code.

26           (y) Confidential information under the Adult

1 Protective Services Act and its predecessor enabling  
2 statute, the Elder Abuse and Neglect Act, including  
3 information about the identity and administrative finding  
4 against any caregiver of a verified and substantiated  
5 decision of abuse, neglect, or financial exploitation of  
6 an eligible adult maintained in the Registry established  
7 under Section 7.5 of the Adult Protective Services Act.

8 (z) Records and information provided to a fatality  
9 review team or the Illinois Fatality Review Team Advisory  
10 Council under Section 15 of the Adult Protective Services  
11 Act.

12 (aa) Information which is exempted from disclosure  
13 under Section 2.37 of the Wildlife Code.

14 (bb) Information which is or was prohibited from  
15 disclosure by the Juvenile Court Act of 1987.

16 (cc) Recordings made under the Law Enforcement  
17 Officer-Worn Body Camera Act, except to the extent  
18 authorized under that Act.

19 (dd) Information that is prohibited from being  
20 disclosed under Section 45 of the Condominium and Common  
21 Interest Community Ombudsperson Act.

22 (ee) Information that is exempted from disclosure  
23 under Section 30.1 of the Pharmacy Practice Act.

24 (ff) Information that is exempted from disclosure  
25 under the Revised Uniform Unclaimed Property Act.

26 (gg) Information that is prohibited from being

1 disclosed under Section 7-603.5 of the Illinois Vehicle  
2 Code.

3 (hh) Records that are exempt from disclosure under  
4 Section 1A-16.7 of the Election Code.

5 (ii) Information which is exempted from disclosure  
6 under Section 2505-800 of the Department of Revenue Law of  
7 the Civil Administrative Code of Illinois.

8 (jj) Information and reports that are required to be  
9 submitted to the Department of Labor by registering day  
10 and temporary labor service agencies but are exempt from  
11 disclosure under subsection (a-1) of Section 45 of the Day  
12 and Temporary Labor Services Act.

13 (kk) Information prohibited from disclosure under the  
14 Seizure and Forfeiture Reporting Act.

15 (ll) Information the disclosure of which is restricted  
16 and exempted under Section 5-30.8 of the Illinois Public  
17 Aid Code.

18 (mm) Records that are exempt from disclosure under  
19 Section 4.2 of the Crime Victims Compensation Act.

20 (nn) Information that is exempt from disclosure under  
21 Section 70 of the Higher Education Student Assistance Act.

22 (oo) Communications, notes, records, and reports  
23 arising out of a peer support counseling session  
24 prohibited from disclosure under the First Responders  
25 Suicide Prevention Act.

26 (pp) Names and all identifying information relating to

1 an employee of an emergency services provider or law  
2 enforcement agency under the First Responders Suicide  
3 Prevention Act.

4 (qq) Information and records held by the Department of  
5 Public Health and its authorized representatives collected  
6 under the Reproductive Health Act.

7 (rr) Information that is exempt from disclosure under  
8 the Cannabis Regulation and Tax Act.

9 (ss) Data reported by an employer to the Department of  
10 Human Rights pursuant to Section 2-108 of the Illinois  
11 Human Rights Act.

12 (tt) Recordings made under the Children's Advocacy  
13 Center Act, except to the extent authorized under that  
14 Act.

15 (uu) Information that is exempt from disclosure under  
16 Section 50 of the Sexual Assault Evidence Submission Act.

17 (vv) Information that is exempt from disclosure under  
18 subsections (f) and (j) of Section 5-36 of the Illinois  
19 Public Aid Code.

20 (ww) Information that is exempt from disclosure under  
21 Section 16.8 of the State Treasurer Act.

22 (xx) Information that is exempt from disclosure or  
23 information that shall not be made public under the  
24 Illinois Insurance Code.

25 (yy) Information prohibited from being disclosed under  
26 the Illinois Educational Labor Relations Act.

1           (zz) Information prohibited from being disclosed under  
2 the Illinois Public Labor Relations Act.

3           (aaa) Information prohibited from being disclosed  
4 under Section 1-167 of the Illinois Pension Code.

5           (bbb) Information that is prohibited from disclosure  
6 by the Illinois Police Training Act and the Illinois State  
7 Police Act.

8           (ccc) Records exempt from disclosure under Section  
9 2605-304 of the Illinois State Police Law of the Civil  
10 Administrative Code of Illinois.

11           (ddd) Information prohibited from being disclosed  
12 under Section 35 of the Address Confidentiality for  
13 Victims of Domestic Violence, Sexual Assault, Human  
14 Trafficking, or Stalking Act.

15           (eee) Information prohibited from being disclosed  
16 under subsection (b) of Section 75 of the Domestic  
17 Violence Fatality Review Act.

18           (fff) Images from cameras under the Expressway Camera  
19 Act. This subsection (fff) is inoperative on and after  
20 July 1, 2025.

21           (ggg) Information prohibited from disclosure under  
22 paragraph (3) of subsection (a) of Section 14 of the Nurse  
23 Agency Licensing Act.

24           (hhh) Information submitted to the Illinois State  
25 Police in an affidavit or application for an assault  
26 weapon endorsement, assault weapon attachment endorsement,

1 .50 caliber rifle endorsement, or .50 caliber cartridge  
2 endorsement under the Firearm Owners Identification Card  
3 Act.

4 (iii) Data exempt from disclosure under Section 50 of  
5 the School Safety Drill Act.

6 (jjj) ~~(hhh)~~ Information exempt from disclosure under  
7 Section 30 of the Insurance Data Security Law.

8 (kkk) ~~(iii)~~ Confidential business information  
9 prohibited from disclosure under Section 45 of the Paint  
10 Stewardship Act.

11 (lll) ~~(iii)~~ Data exempt from disclosure under Section  
12 2-3.196 of the School Code.

13 (mmm) Information prohibited from being disclosed  
14 under Section 4-2 of the Uniform Money Transmission  
15 Modernization Act.

16 (Source: P.A. 102-36, eff. 6-25-21; 102-237, eff. 1-1-22;  
17 102-292, eff. 1-1-22; 102-520, eff. 8-20-21; 102-559, eff.  
18 8-20-21; 102-813, eff. 5-13-22; 102-946, eff. 7-1-22;  
19 102-1042, eff. 6-3-22; 102-1116, eff. 1-10-23; 103-8, eff.  
20 6-7-23; 103-34, eff. 6-9-23; 103-142, eff. 1-1-24; 103-372,  
21 eff. 1-1-24; 103-472, eff. 8-1-24; 103-508, eff. 8-4-23;  
22 revised 9-5-23.)

23 Section 900-10. The State Finance Act is amended by adding  
24 Section 5.1015 as follows:

1 (30 ILCS 105/5.1015 new)

2 Sec. 5.1015. The TOMA Consumer Protection Fund.

3 (205 ILCS 657/Act rep.)

4 Section 900-30. The Transmitters of Money Act is repealed.

5 Article 999.

6 Section 999-95. No acceleration or delay. Where this Act  
7 makes changes in a statute that is represented in this Act by  
8 text that is not yet or no longer in effect (for example, a  
9 Section represented by multiple versions), the use of that  
10 text does not accelerate or delay the taking effect of (i) the  
11 changes made by this Act or (ii) provisions derived from any  
12 other Public Act.

13 Section 999-99. Effective date. This Act takes effect upon  
14 becoming law, except that the changes to the Transmitters of  
15 Money Act take effect January 1, 2026.