

**93RD GENERAL ASSEMBLY****State of Illinois****2003 and 2004**

Introduced 02/04/04, by Susana Mendoza

SYNOPSIS AS INTRODUCED:

205 ILCS 657/20

205 ILCS 657/37

Amends the Transmitters of Money Act. Requires the Department of Financial Institutions to record all approved licenses, provide each licensee with a final order, and place it on the Department's webpage or make it available to consumers upon request. Requires each license to include the final order number, the full legal name of the licensee, the customer service number of the licensee, and the corporate officer or director bearing regulatory responsibility for the transmitter service. Requires all documentation submitted to the Department pursuant to this Section to be signed by the officer or director listed on the license and list the name of a person knowledgeable and responsible for the record submitted, and that person must certify that he or she has control of the record. In provisions pertaining to displaying a disclosure notice, provides that each authorized seller must provide consumers transacting business with a licensee under this Act with a copy of the disclosure notice. Requires that disclosure notice contain all rates and surcharges to be built into the bill payment service applicable to the consumer for use of the service. Effective immediately.

LRB093 18020 SAS 43706 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning financial regulation.

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

4 Section 5. The Transmitters of Money Act is amended by
5 changing Sections 20 and 37 as follows:

6 (205 ILCS 657/20)

7 Sec. 20. Qualifications for a license.

8 (a) In order to obtain a license under this Act, an
9 applicant must prove to the satisfaction of the Director all of
10 the following:

11 (1) That the applicant has and maintains the net worth
12 specified in Column A, computed according to generally
13 accepted accounting principles, corresponding to the
14 number of locations in this State at which the applicant is
15 conducting business or proposes to conduct business by
16 itself and by any authorized sellers specified in Column B:

17	Column A	Column B
18	\$35,000	1
19	50,000	2-3
20	100,000	4-5
21	150,000	6-9
22	200,000	10-14
23	300,000	15-19
24	400,000	20-24
25	500,000	25 or more

26 (2) That the applicant is in good standing and in
27 statutory compliance in the state or country of
28 incorporation or when the applicant is an entity other than
29 a corporation, is properly registered under the laws of
30 this State or another state or country, and if required,
31 the corporation or entity is authorized to do business in
32 the State of Illinois.

1 (3) That the applicant has not been convicted within
2 the 10 years preceding the application of a felony under
3 the laws of this State, another state, the United States,
4 or a foreign jurisdiction.

5 (4) That no officer, director, controlling person, or
6 principal of the applicant has been convicted within the 10
7 years preceding the application of a felony under the laws
8 of this State, another state, the United States, or a
9 foreign jurisdiction.

10 (5) That the financial responsibility, financial
11 condition, business experience, character, and general
12 fitness of the applicant and its management are such as to
13 justify the confidence of the public and that the applicant
14 is fit, willing, and able to carry on the proposed business
15 in a lawful and fair manner.

16 (b) The Director may, for good cause shown, waive the
17 requirement of items (3) and (4) of subsection (a) of this
18 Section.

19 (c) The Department must record each approved license and
20 the terms of service of the licensee. The Department must give
21 each license a final order number that can be reviewed by the
22 public on the Department's website or made available directly
23 to consumers upon request. Each license must include the final
24 order number, the full legal name of the licensee, the customer
25 service number of the licensee, and the corporate officer or
26 director bearing regulatory responsibility for the transmitter
27 service. All reporting and documentation submitted to the
28 Department pursuant to the license requirements in this Section
29 must be signed by the officer or director listed on the
30 license. All reporting and documentation submitted to the
31 Department pursuant to this Section must also list the name of
32 a person knowledgeable and responsible for the record
33 submitted, and that person must certify that he or she has
34 control of the record in question.

35 (Source: P.A. 92-400, eff. 1-1-02.)

1 (205 ILCS 657/37)

2 Sec. 37. Display of disclosure notice.

3 (a) Each authorized seller shall conspicuously display a
4 disclosure notice supplied by the licensee; each licensee that
5 transmits money directly shall also conspicuously display a
6 disclosure notice; a copy of the disclosure notice shall be
7 provided to each consumer that transacts business with a
8 licensee under this Act.

9 (b) The disclosure notice shall contain the following
10 information:

11 (1) In the case of an authorized seller only, the name
12 of the authorized seller's licensee issuing the disclosure
13 notice.

14 (2) A toll-free telephone number for the Department of
15 Financial Institutions which will provide customer support
16 for suspected violations of this Act.

17 (3) A statement that the authorization may be revoked
18 at any time by the licensee.

19 (4) All rates and surcharges to be built into the bill
20 payment service applicable to the consumer for use of the
21 service.

22 (c) A licensee shall notify the Department within 30 days
23 when an authorized seller is no longer an authorized seller for
24 the licensee. An authorized seller who has been terminated
25 shall remove the disclosure notice from the premises within 10
26 business days after such termination. A terminated authorized
27 seller who wilfully and knowingly refuses to remove the
28 disclosure notice within 10 business days of termination
29 commits a Class B misdemeanor.

30 (d) If a customer of a former authorized seller
31 detrimentally relies on a disclosure notice that was not
32 removed, the former authorized seller shall be civilly liable
33 if the customer proves: (1) that the entity possessed the
34 disclosure notice beyond 10 business days from the termination
35 of authorization by the licensee, (2) that the entity held
36 itself out as an authorized seller, without informing the

1 customer that the seller was no longer authorized by the
2 licensee, (3) that the customer justifiably relied upon the
3 conspicuously displayed disclosure notice formerly provided by
4 the licensee, and (4) that the entity engaged in the business
5 of transmitting money after its termination as an authorized
6 seller.

7 (e) As used in this Section, "civil liability" means
8 liability for actual loss, reasonable attorney's fees, and
9 costs.

10 (Source: P.A. 93-535, eff. 1-1-04.)

11 Section 99. Effective date. This Act takes effect upon
12 becoming law.