



Rep. Joseph M. Lyons

Filed: 4/2/2004

09300HB5856ham001

LRB093 16897 WGH 48652 a

1 AMENDMENT TO HOUSE BILL 5856

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 5856 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Consumer Installment Loan Act is amended by  
5 changing Sections 1 and 2 as follows:

6 (205 ILCS 670/1) (from Ch. 17, par. 5401)

7 Sec. 1. License required to engage in business. No person,  
8 partnership, association, limited liability company, or  
9 corporation shall engage in the business of making loans of  
10 money in a principal amount not exceeding \$40,000 ~~\$25,000~~, and  
11 charge, contract for, or receive on any such loan a greater  
12 rate of interest, discount, or consideration therefor than the  
13 lender would be permitted by law to charge if he were not a  
14 licensee hereunder, except as authorized by this Act after  
15 first obtaining a license from the Director of Financial  
16 Institutions (hereinafter called the Director).

17 (Source: P.A. 89-400, eff. 8-20-95; 90-437, eff. 1-1-98.)

18 (205 ILCS 670/2) (from Ch. 17, par. 5402)

19 Sec. 2. Application; fees; positive net worth. Application  
20 for such license shall be in writing, and in the form  
21 prescribed by the Director. Such applicant at the time of  
22 making such application shall pay to the Director the sum of  
23 \$300 as an application fee and the additional sum of \$450 as an

1 annual license fee, for a period terminating on the last day of  
2 the current calendar year; provided that if the application is  
3 filed after June 30th in any year, such license fee shall be  
4 1/2 of the annual license fee for such year.

5 Before the license is granted, every applicant shall prove  
6 in form satisfactory to the Director that the applicant has and  
7 will maintain a positive net worth of a minimum of \$45,000  
8 ~~\$30,000~~. Every applicant and licensee shall maintain a surety  
9 bond in the principal sum of \$40,000 ~~\$25,000~~ issued by a  
10 bonding company authorized to do business in this State and  
11 which shall be approved by the Director. Such bond shall run to  
12 the Director and shall be for the benefit of any consumer who  
13 incurs damages as a result of any violation of the Act or rules  
14 by a licensee. If the Director finds at any time that a bond is  
15 of insufficient size, is insecure, exhausted, or otherwise  
16 doubtful, an additional bond in such amount as determined by  
17 the Director shall be filed by the licensee within 30 days  
18 after written demand therefor by the Director. "Net worth"  
19 means total assets minus total liabilities.  
20 (Source: P.A. 92-398, eff. 1-1-02; 93-32, eff. 7-1-03.)".