



Rep. Jehan A. Gordon

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09600HB3752ham001

LRB096 09960 MJR 24962 a

1 AMENDMENT TO HOUSE BILL 3752

2 AMENDMENT NO. _____. Amend House Bill 3752 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Banking Act is amended by adding
5 Section 32.2 as follows:

6 (205 ILCS 5/32.2 new)

7 Sec. 32.2. State business; prohibition on No Income, No
8 Job, and No Asset Loans.

9 (a) On and after the effective date of this amendatory Act
10 of the 96th General Assembly, a bank chartered under this Act
11 that does business with the State must not offer either (i) No
12 Income No Asset Loans (NINA Loans) or (ii) No Income, No Job,
13 and No Asset Loans (NINJA Loans).

14 (b) For purposes of this Section:

15 "No Income No Asset Loans" or "NINA Loans" means loans made
16 to borrowers with minimum documentation and authentication

1 disclosing a borrower's ability to repay the loan. In a NINA
2 Loan (1) a borrower's credit score may be used in order to
3 authorize the loan and (2) steady employment or an income
4 source may also be required, however, remuneration or salary
5 are not disclosed.

6 "No Income, No Job, and No Asset Loans" or "NINJA Loans"
7 means loans made to borrowers without any documentation or
8 authentication to prove that the borrower can reasonably adhere
9 to or afford the terms of the loan. In a NINJA Loan,
10 authentication is based on whatever disclosures that the
11 applicant submits to the lender. For purposes of this Section,
12 a NINJA Loan may be considered a form of subprime lending."