

SB3423



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

SB3423

Introduced 2/14/2014, by Sen. John M. Sullivan

SYNOPSIS AS INTRODUCED:

815 ILCS 180/40

Amends the Collateral Protection Act. Provides that a servicer subject to regulations issued by the Consumer Financial Protection Bureau under the Dodd-Frank Act that places hazard insurance in substantial compliance with those regulations shall be deemed in substantial compliance with this Act. Effective immediately.

LRB098 18590 JLS 53731 b

A BILL FOR

1 AN ACT concerning business.

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

4 Section 5. The Collateral Protection Act is amended by
5 changing Section 40 as follows:

6 (815 ILCS 180/40)

7 Sec. 40. Substantial compliance.

8 (a) A creditor that places collateral protection insurance
9 in substantial compliance with the terms of this Act shall not
10 be directly or indirectly liable in any manner to a debtor,
11 co-signor, guarantor, or any other person, in connection with
12 the placement of the collateral protection insurance. Notices
13 and coupon books required to be mailed under this Act shall be
14 mailed by United States Mail, first class, postage prepaid.

15 (b) A servicer subject to the regulations prescribed by the
16 Consumer Financial Protection Bureau pursuant to Section 1463
17 of the federal Dodd-Frank Wall Street Reform and Consumer
18 Protection Act (12 C.F.R. 1024.37) that places hazard insurance
19 in substantial compliance with those regulations shall be
20 deemed to be in substantial compliance with the terms of this
21 Act.

22 (Source: P.A. 89-623, eff. 8-9-96; 90-35, eff. 6-27-97.)

1 Section 99. Effective date. This Act takes effect upon
2 becoming law.