

1 AN ACT concerning government.

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

4 Section 5. The Collection Agency Act is amended by changing
5 Sections 2, 9.1, 9.2, and 9.3 and by adding Section 60 as
6 follows:

7 (225 ILCS 425/2) (from Ch. 111, par. 2002)

8 (Section scheduled to be repealed on January 1, 2026)

9 Sec. 2. Definitions. In this Act:

10 "Address of record" means the designated address recorded
11 by the Department in the applicant's or licensee's application
12 file or license file as maintained by the Department's
13 licensure maintenance unit. It is the duty of the applicant or
14 licensee to inform the Department of any change of address and
15 those changes must be made either through the Department's
16 website or by contacting the Department.

17 "Board" means the Collection Agency Licensing and
18 Disciplinary Board.

19 "Charge-off balance" means an account principal and other
20 legally collectible costs, expenses, and interest accrued
21 prior to the charge-off date, less any payments or settlement.

22 "Charge-off date" means the date on which a receivable is
23 treated as a loss or expense.

1 "Collection agency" means any person who, in the ordinary
2 course of business, regularly, on behalf of himself or herself
3 or others, engages in the collection of a debt.

4 "Consumer debt" or "consumer credit" means money or
5 property, or their equivalent, due or owing or alleged to be
6 due or owing from a natural person by reason of a consumer
7 credit transaction.

8 "Credit transaction" means a transaction between a natural
9 person and another person in which property, service, or money
10 is acquired on credit by that natural person from such other
11 person primarily for personal, family, or household purposes.

12 "Creditor" means a person who extends consumer credit to a
13 debtor.

14 "Current balance" means the charge-off balance plus any
15 legally collectible costs, expenses, and interest, less any
16 credits or payments.

17 "Debt" means money, property, or their equivalent which is
18 due or owing or alleged to be due or owing from a person to
19 another person.

20 "Debt buyer" means a person or entity that is engaged in
21 the business of purchasing delinquent or charged-off consumer
22 loans or consumer credit accounts or other delinquent consumer
23 debt for collection purposes, whether it collects the debt
24 itself or hires a third-party for collection or an
25 attorney-at-law for litigation in order to collect such debt.

26 "Debtor" means a person from whom a collection agency seeks

1 to collect a consumer or commercial debt that is due and owing
2 or alleged to be due and owing from such person.

3 "Department" means the Department of Financial and
4 Professional Regulation.

5 "Person" means a natural person, partnership, corporation,
6 limited liability company, trust, estate, cooperative,
7 association, or other similar entity.

8 "Licensed collection agency" means a person who is licensed
9 under this Act to engage in the practice of debt collection in
10 Illinois.

11 "Secretary" means the Secretary of Financial and
12 Professional Regulation.

13 (Source: P.A. 99-227, eff. 8-3-15.)

14 (225 ILCS 425/9.1)

15 (Section scheduled to be repealed on January 1, 2026)

16 Sec. 9.1. Communication with persons other than debtor. Any
17 collection agency communicating with any person other than the
18 debtor for the purpose of acquiring location information about
19 the debtor shall:

20 (1) identify himself or herself, state that he or she
21 is confirming or correcting location information
22 concerning the consumer, and, only if expressly requested,
23 identify his or her employer;

24 (2) not state that the consumer owes any debt;

25 (3) not communicate with any person more than once

1 unless requested to do so by the person or unless the
2 collection agency reasonably believes that the earlier
3 response of the person is erroneous or incomplete and that
4 the person now has correct or complete location
5 information;

6 (4) not communicate by postcard;

7 (5) not use any language or symbol on any envelope or
8 in the contents of any communication effected by mail or
9 telegram that indicates that the collection agency is in
10 the debt collection business or that the communication
11 relates to the collection of a debt; and

12 (6) not communicate with any person other than the
13 attorney after the collection agency knows the debtor is
14 represented by an attorney with regard to the subject debt
15 and has knowledge of or can readily ascertain the
16 attorney's name and address, unless the attorney fails to
17 respond within a reasonable period of time, not less than
18 30 days, to communication from the collection agency.

19 This Section applies to a collection agency or debt buyer
20 only when engaged in the collection of consumer debt.

21 (Source: P.A. 99-227, eff. 8-3-15.)

22 (225 ILCS 425/9.2)

23 (Section scheduled to be repealed on January 1, 2026)

24 Sec. 9.2. Communication in connection with debt
25 collection.

1 (a) Without the prior consent of the debtor given directly
2 to the collection agency or the express permission of a court
3 of competent jurisdiction, a collection agency may not
4 communicate with a debtor in connection with the collection of
5 any debt in any of the following circumstances:

6 (1) At any unusual time, place, or manner that is known
7 or should be known to be inconvenient to the debtor. In the
8 absence of knowledge of circumstances to the contrary, a
9 collection agency shall assume that the convenient time for
10 communicating with a debtor is after 8:00 a.m. and before
11 9:00 p.m. local time at the debtor's location.

12 (2) If the collection agency knows the debtor is
13 represented by an attorney with respect to such debt and
14 has knowledge of or can readily ascertain, the attorney's
15 name and address, unless the attorney fails to respond
16 within a reasonable period of time to a communication from
17 the collection agency or unless the attorney consents to
18 direct communication with the debtor.

19 (3) At the debtor's place of employment, if the
20 collection agency knows or has reason to know that the
21 debtor's employer prohibits the debtor from receiving such
22 communication.

23 (b) Except as provided in Section 9.1 of this Act, without
24 the prior consent of the debtor given directly to the
25 collection agency, the express permission of a court of
26 competent jurisdiction, or as reasonably necessary to

1 effectuate a post judgment judicial remedy, a collection agency
2 may not communicate, in connection with the collection of any
3 debt, with any person other than the debtor, the debtor's
4 attorney, a consumer reporting agency if otherwise permitted by
5 law, the creditor, the attorney of the creditor, or the
6 attorney of the collection agency.

7 (c) If a debtor notifies a collection agency in writing
8 that the debtor refuses to pay a debt or that the debtor wishes
9 the collection agency to cease further communication with the
10 debtor, the collection agency may not communicate further with
11 the debtor with respect to such debt, except to perform any of
12 the following tasks:

13 (1) Advise the debtor that the collection agency's
14 further efforts are being terminated.

15 (2) Notify the debtor that the collection agency or
16 creditor may invoke specified remedies that are ordinarily
17 invoked by such collection agency or creditor.

18 (3) Notify the debtor that the collection agency or
19 creditor intends to invoke a specified remedy.

20 If such notice from the debtor is made by mail,
21 notification shall be complete upon receipt.

22 (d) For the purposes of this Section, "debtor" includes the
23 debtor's spouse, parent (if the debtor is a minor), guardian,
24 executor, or administrator.

25 (e) This Section applies to a collection agency or debt
26 buyer only when engaged in the collection of consumer debt.

1 (Source: P.A. 99-227, eff. 8-3-15.)

2 (225 ILCS 425/9.3)

3 (Section scheduled to be repealed on January 1, 2026)

4 Sec. 9.3. Validation of debts.

5 (a) Within 5 days after the initial communication with a
6 debtor in connection with the collection of any debt, a
7 collection agency shall, unless the following information is
8 contained in the initial communication or the debtor has paid
9 the debt, send the debtor a written notice with each of the
10 following disclosures:

11 (1) The amount of the debt.

12 (2) The name of the creditor to whom the debt is owed.

13 (3) That, unless the debtor, within 30 days after
14 receipt of the notice, disputes the validity of the debt,
15 or any portion thereof, the debt will be assumed to be
16 valid by the collection agency.

17 (4) That, if the debtor notifies the collection agency
18 in writing within the 30-day period that the debt, or any
19 portion thereof, is disputed, the collection agency will
20 obtain verification of the debt or a copy of a judgment
21 against the debtor and a copy of the verification or
22 judgment will be mailed to the debtor by the collection
23 agency.

24 (5) That upon the debtor's written request within the
25 30-day period, the ~~The~~ collection agency will provide the

1 debtor with the name and address of the original creditor,
2 if different from the current creditor. If the disclosures
3 required under this subsection (a) are placed on the back
4 of the notice, the front of the notice shall contain a
5 statement notifying debtors of that fact.

6 (b) If the debtor notifies the collection agency in writing
7 within the 30-day period set forth in paragraph (3) of
8 subsection (a) of this Section that the debt, or any portion
9 thereof, is disputed or that the debtor requests the name and
10 address of the original creditor, the collection agency shall
11 cease collection of the debt, or any disputed portion thereof,
12 until the collection agency obtains verification of the debt or
13 a copy of a judgment or the name and address of the original
14 creditor and mails a copy of the verification or judgment or
15 name and address of the original creditor to the debtor.

16 (c) The failure of a debtor to dispute the validity of a
17 debt under this Section shall not be construed by any court as
18 an admission of liability by the debtor.

19 (d) This Section applies to a collection agency or debt
20 buyer only when engaged in the collection of consumer debt.

21 (Source: P.A. 99-227, eff. 8-3-15.)

22 (225 ILCS 425/60 new)

23 Sec. 60. Liability; federal compliance. A collection
24 agency or a debt buyer shall not be subject to civil liability
25 for its failure to comply with Section 2, 9.1, 9.2, or 9.3 of

1 this Act, as amended by Public Act 99-227, if the collection
2 agency or the debt buyer can demonstrate compliance with
3 comparable provisions of the federal Fair Debt Collection
4 Practices Act.

5 Section 99. Effective date. This Act takes effect upon
6 becoming law.