



Sen. Michael W. Halpin

Filed: 4/5/2024

10300SB3696sam003

LRB103 37687 SPS 71972 a

1 AMENDMENT TO SENATE BILL 3696

2 AMENDMENT NO. _____. Amend Senate Bill 3696 by deleting
3 line 4 on page 1 through line 15 on page 4; and

4 on page 4, line 21, after "3-105,", by inserting "3-312,"; and

5 on page 4, line 23, after "9-105,", by inserting "9-201,"; and

6 on page 17, line 18, by replacing "that" with "which"; and

7 on page 23, line 19, by replacing "that" with "which"; and

8 on page 24, line 7, by replacing "that" with "which"; and

9 on page 39, immediately below line 23, by inserting the
10 following:

11 "(810 ILCS 5/3-312) (from Ch. 26, par. 3-312)

1 Sec. 3-312. Lost, destroyed, or stolen cashier's check,
2 teller's check, or certified check.

3 (a) In this Section:

4 (1) "Check" means a cashier's check, teller's check,
5 or certified check.

6 (2) "Claimant" means a person who claims the right to
7 receive the amount of a cashier's check, teller's check,
8 or certified check that was lost, destroyed, or stolen.

9 (3) "Declaration of loss" means a written statement,
10 made under penalty of perjury, to the effect that (i) the
11 declarer lost possession of a check, (ii) the declarer is
12 the drawer or payee of the check, in the case of a
13 certified check, or the remitter or payee of the check, in
14 the case of a cashier's check or teller's check, (iii) the
15 loss of possession was not the result of a transfer by the
16 declarer or ~~of~~ a lawful seizure, and (iv) the declarer
17 cannot reasonably obtain possession of the check because
18 the check was destroyed, its whereabouts cannot be
19 determined, or it is in the wrongful possession of an
20 unknown person or a person that cannot be found or is not
21 amenable to service of process.

22 (4) "Obligated bank" means the issuer of a cashier's
23 check or teller's check or the acceptor of a certified
24 check.

25 (b) A claimant may assert a claim to the amount of a check
26 by a communication to the obligated bank describing the check

1 with reasonable certainty and requesting payment of the amount
2 of the check, if (i) the claimant is the drawer or payee of a
3 certified check or the remitter or payee of a cashier's check
4 or teller's check, (ii) the communication contains or is
5 accompanied by a declaration of loss of the claimant with
6 respect to the check, (iii) the communication is received at a
7 time and in a manner affording the bank a reasonable time to
8 act on it before the check is paid, and (iv) the claimant
9 provides reasonable identification if requested by the
10 obligated bank. Delivery of a declaration of loss is a
11 warranty of the truth of the statements made in the
12 declaration. If a claim is asserted in compliance with this
13 subsection, the following rules apply:

14 (1) The claim becomes enforceable at the later of (i)
15 the time the claim is asserted, or (ii) the 90th day
16 following the date of the check, in the case of a cashier's
17 check or teller's check, or the 90th day following the
18 date of the acceptance, in the case of a certified check.

19 (2) Until the claim becomes enforceable, it has no
20 legal effect and the obligated bank may pay the check or,
21 in the case of a teller's check, may permit the drawee to
22 pay the check. Payment to a person entitled to enforce the
23 check discharges all liability of the obligated bank with
24 respect to the check.

25 (3) If the claim becomes enforceable before the check
26 is presented for payment, the obligated bank is not

1 obliged to pay the check.

2 (4) When the claim becomes enforceable, the obligated
3 bank becomes obliged to pay the amount of the check to the
4 claimant if payment of the check has not been made to a
5 person entitled to enforce the check. Subject to Section
6 4-302(a)(1), payment to the claimant discharges all
7 liability of the obligated bank with respect to the check.

8 (c) If the obligated bank pays the amount of a check to a
9 claimant under subsection (b)(4) and the check is presented
10 for payment by a person having rights of a holder in due
11 course, the claimant is obliged to (i) refund the payment to
12 the obligated bank if the check is paid, or (ii) pay the amount
13 of the check to the person having rights of a holder in due
14 course if the check is dishonored.

15 (d) If a claimant has the right to assert a claim under
16 subsection (b) and is also a person entitled to enforce a
17 cashier's check, teller's check, or certified check that is
18 lost, destroyed, or stolen, the claimant may assert rights
19 with respect to the check either under this Section or Section
20 3-309.

21 (Source: P.A. 87-582; 87-895; 87-1135.)"; and

22 on page 113, immediately below line 16, by inserting the
23 following:

24 "(810 ILCS 5/9-201) (from Ch. 26, par. 9-201)

1 Sec. 9-201. General effectiveness of security agreement.

2 (a) General effectiveness. Except as otherwise provided in
3 the Uniform Commercial Code, a security agreement is effective
4 according to its terms between the parties, against purchasers
5 of the collateral, and against creditors.

6 (b) Applicable consumer laws and other law. A transaction
7 subject to this Article is subject to any applicable rule of
8 law, statute, or regulation which establishes a different rule
9 for consumers, including, without limitation:

10 (1) the Retail Installment Sales Act;

11 (2) the Motor Vehicle Retail Installment Sales Act;

12 (3) Article II of Chapter 3 of the Illinois Vehicle
13 Code;

14 (4) Article IIIB of the Boat Registration and Safety
15 Act;

16 (5) the Pawnbroker Regulation Act of 2023;

17 (6) the Motor Vehicle Leasing Act;

18 (7) the Consumer Installment Loan Act; ~~and~~

19 (8) the Consumer Deposit Security Act of 1987; ~~and~~

20 (9) the Predatory Loan Prevention Act;

21 (10) the Consumer Fraud and Deceptive Business
22 Practices Act;

23 (11) any other statute or regulation that regulates
24 the rates, charges, agreements, and practices for loans,
25 credit sales, or other extensions of credit; and

26 (12) any consumer protection statute or regulation.

1 (c) Other applicable law controls. In case of conflict
2 between this Article and a rule of law, statute, or regulation
3 described in subsection (b), the rule of law, statute, or
4 regulation controls. Failure to comply with a rule of law,
5 statute, or regulation described in subsection (b) has only
6 the effect such rule of law, statute, or regulation specifies.

7 (d) Further deference to other applicable law. This
8 Article does not:

9 (1) validate any rate, charge, agreement, or practice
10 that violates a rule of law, statute, or regulation
11 described in subsection (b); or

12 (2) extend the application of the rule of law,
13 statute, or regulation to a transaction not otherwise
14 subject to it.

15 (Source: P.A. 103-585, eff. 3-22-24.)"; and

16 on page 122, line 21, by replacing "document of title" with
17 "document"; and

18 on page 137, line 13, by replacing "that" with "which"; and

19 on page 143, by replacing lines 22 through 25 as follows:

20 "documents, electronic money, investment property,
21 letter-of-credit rights ~~investment property, deposit accounts,~~
22 ~~electronic chattel paper, letter of credit rights, electronic~~
23 ~~documents,~~ or beneficial interests in Illinois land trusts

1 may"; and

2 on page 144, by replacing lines 7 through 10 as follows:

3 "documents, electronic money, letter-of-credit rights deposit
4 ~~accounts, electronic chattel paper, letter of credit rights,~~
5 ~~electronic documents,~~ or beneficial interests in Illinois land
6 trusts is perfected by control under Section"; and

7 on page 164, line 2, by deleting "tangible"; and

8 on page 187, by replacing line 12 with the following:

9 (a) "Notification date." In this Section, "notification";
10 and

11 on page 194, immediately below line 25, by inserting the
12 following:

13 "(Name and address of secured party)
14 (Date)"; and

15 on page 196, line 21, by replacing "(a) (3)" with "(a) (4)"; and

16 on page 196, line 24, by replacing "(a) (3)" with "(a) (4)"; and

17 on page 208, by replacing line 2 with the following:

18 (a) "Transfer statement." In this Section, "transfer";
19 and

1 on page 222, by replacing lines 10 through 15 with the
2 following:

3 "(b) Applicable consumer law and other laws. A transaction
4 subject to this Article is subject to any applicable rule of
5 law, statute, or regulation which establishes a different rule
6 for consumers including, without limitation, the Consumer
7 Installment Loan Act, the Predatory Loan Prevention Act, the
8 Consumer Fraud and Deceptive Business Practices Act, any other
9 statute or regulation that regulates the rates, charges,
10 agreements, and practices for loans, credit sales, or other
11 extensions of credit, and any consumer protection statute or
12 regulation."; and

13 on page 230, line 18, by replacing "that" with "which".