

HB0427



94TH GENERAL ASSEMBLY
State of Illinois
2005 and 2006
HB0427

Introduced 1/26/2005, by Rep. Thomas Holbrook

SYNOPSIS AS INTRODUCED:

205 ILCS 670/22

from Ch. 17, par. 5428

Amends the Consumer Installment Loan Act. Provides that, during the 30-day period beginning with the date the loan is commenced, a short-term lender may not impose fees of more than 25% of the principal amount of a short-term or title-secured loan.

LRB094 05492 MKM 35539 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning financial regulation.

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

4 Section 5. The Consumer Installment Loan Act is amended by
5 changing Section 22 as follows:

6 (205 ILCS 670/22) (from Ch. 17, par. 5428)

7 Sec. 22. Rules and regulations.

8 (a) The Department may make and enforce such reasonable
9 rules, regulations, directions, orders, decisions, and
10 findings as the execution and enforcement of the provisions of
11 this Act require, and as are not inconsistent therewith. In
12 addition, the Department may promulgate rules in connection
13 with the activities of licensees that are necessary and
14 appropriate for the protection of consumers in this State. All
15 rules, regulations and directions of a general character shall
16 be printed and copies thereof mailed to all licensees.

17 (b) During the 30-day period beginning with the date the
18 loan is commenced, a short-term lender may not impose fees,
19 with respect to a short-term loan or title-secured loan, of
20 more than 25% of the principal amount of the loan. As used in
21 this subsection (b):

22 (i) "Short-term loan", "title-secured loan", and
23 "short-term lender" have the meanings ascribed to those
24 terms in the Department's administrative rules concerning
25 short term lending at 38 Ill. Adm. Code 110.310 et seq.

26 (ii) "Fees" means the total charges, other than
27 interest, that are imposed by a short-term lender with
28 respect to a short-term loan or title-secured loan.

29 (Source: P.A. 90-437, eff. 1-1-98; 91-698, eff. 5-6-00.)