



Financial Institutions Committee

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LRB095 08215 WGH 36686 a

1 AMENDMENT TO SENATE BILL 1468

2 AMENDMENT NO. _____. Amend Senate Bill 1468 on page 1,
3 line 5 by inserting "2-5, 2-10," after "1-10,"; and

4 on page 4, by inserting after line 8 the following:

5 "(815 ILCS 122/2-5)

6 Sec. 2-5. Loan terms.

7 (a) Without affecting the right of a consumer to prepay at
8 any time without cost or penalty, no payday loan may have a
9 minimum term of less than 13 days.

10 (b) No payday loan may be made to a consumer if the loan
11 would result in the consumer being indebted to one or more
12 payday lenders for a period in excess of 45 consecutive days.
13 Except as provided under Section 2-40, if a consumer has or has
14 had loans outstanding for a period in excess of 45 consecutive
15 days, no payday lender may offer or make a loan to the consumer
16 for at least 7 calendar days after the date on which the

1 outstanding balance of all payday loans made during the 45
2 consecutive day period is paid in full. For purposes of this
3 subsection, the term "consecutive days" means a series of
4 continuous calendar days in which the consumer has an
5 outstanding balance on one or more payday loans; however, if a
6 payday loan is made to a consumer within 6 days or less after
7 the outstanding balance of all loans is paid in full, those
8 days are counted as "consecutive days" for purposes of this
9 subsection.

10 (c) No lender may make a payday loan to a consumer if the
11 total principal amount of the loan, when combined with the
12 principal amount of all of the consumer's other outstanding
13 payday loans, exceeds \$1,000 or 25% of the consumer's gross
14 monthly income, whichever is less.

15 (d) No payday loan may be made to a consumer who has an
16 outstanding balance on 2 payday loans.

17 (e) No lender may charge more than \$15.50 per \$100 loaned
18 on any payday loan over the term of the loan. Except as
19 provided in Section 2-25, this charge is considered fully
20 earned as of the date on which the loan is made. A fee under
21 subsection (a-5) of Section 2-10 may be imposed in addition to
22 the charge imposed under this subsection (e).

23 (f) A lender may not take or attempt to take an interest in
24 any of the consumer's personal property to secure a payday
25 loan.

26 (g) A consumer has the right to redeem a check or any other

1 item described in the definition of payday loan under Section
2 1-10 issued in connection with a payday loan from the lender
3 holding the check or other item at any time before the payday
4 loan becomes payable by paying the full amount of the check or
5 other item.

6 (Source: P.A. 94-13, eff. 12-6-05.)

7 (815 ILCS 122/2-10)

8 Sec. 2-10. Permitted fees.

9 (a) If there are insufficient funds to pay a check,
10 Automatic Clearing House (ACH) debit, or any other item
11 described in the definition of payday loan under Section 1-10
12 on the day of presentment and only after the lender has
13 incurred an expense, a lender may charge a fee not to exceed
14 \$25. Only one such fee may be collected by the lender with
15 respect to a particular check, ACH debit, or item even if it
16 has been deposited and returned more than once. A lender shall
17 present the check, ACH debit, or other item described in the
18 definition of payday loan under Section 1-10 for payment not
19 more than twice. A fee charged under this subsection (a) is a
20 lender's exclusive charge for late payment.

21 (a-5) A lender may charge a consumer a fee not to exceed
22 \$1.50 for the verification required under Section 2-15.

23 (b) Except for the finance charges described in Section 2-5
24 and as specifically allowed by this Section, a lender may not
25 impose on a consumer any additional finance charges, interest,

1 fees, or charges of any sort for any purpose.

2 (Source: P.A. 94-13, eff. 12-6-05.)"; and

3 on page 10, lines 17 and 18 by changing "upon becoming law" to

4 "January 1, 2008".