



Rep. Rita Mayfield

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1 AMENDMENT TO HOUSE BILL 744

2 AMENDMENT NO. _____. Amend House Bill 744 by replacing
3 everything after the enacting clause with the following:

4 "Section 1. Short title. This Act may be cited as the Small
5 Business Financing Transparency Act.

6 Section 2. Purpose and construction. The purpose of this
7 Act is to protect business owners. This Act shall be liberally
8 construed to effectuate its purpose.

9 Section 5. Definitions. As used in this Act:

10 "Annual percentage rate" or "APR" means the nominal annual
11 percentage rate of finance charge determined in accordance
12 with the actuarial method of computation; or at the option of
13 the licensee by application of the United States rule.

14 "Applicant" means a person who has submitted an
15 application for a registration under this Act.

1 "Closed-end financing" means a closed-end extension of
2 credit, secured or unsecured, recourse or nonrecourse,
3 including equipment financing that does not meet the
4 definition of a lease under Section 2A-103 of the Uniform
5 Commercial Code, that the recipient does not intend to use for
6 personal, family, or household purposes. "Closed-end
7 financing" includes financing with an established principal
8 amount and duration.

9 "Commercial financing database" means a reporting database
10 certified by the Department as effective in receiving a report
11 of commercial financing made under this Act.

12 "Commercial financing database provider" means an entity
13 that provides a reporting database certified by the Department
14 under this Act.

15 "Commercial financing" means open-end financing,
16 closed-end financing, sales-based financing, factoring
17 transaction, or other form of financing, the proceeds of which
18 the recipient does not intend to use primarily for personal,
19 family, or household purposes. For purposes of determining
20 whether a financing is a commercial financing, the provider
21 may rely on any statement of intended purposes by the
22 recipient. The statement may be a separate statement signed by
23 the recipient; may be contained in the financing application,
24 financing agreement, or other document signed or consented to
25 by the recipient; or may be provided orally by the recipient so
26 long as it is documented in the recipient's application file

1 by the provider. Electronic signatures and consents are valid
2 for purposes of the foregoing sentence. The provider shall not
3 be required to ascertain that the proceeds of a commercial
4 financing are used in accordance with the recipient's
5 statement of intended purposes.

6 "Department" means the Department of Financial and
7 Professional Regulation.

8 "Division of Financial Institutions" or "Division" means
9 the Division of Financial Institutions of the Department of
10 Financial and Professional Regulation.

11 "Factoring transaction" means an accounts receivable
12 purchase transaction that includes an agreement to purchase,
13 transfer, or sell a legally enforceable claim for payment held
14 by a recipient for goods the recipient has supplied or
15 services the recipient has rendered that have been ordered but
16 for which payment has not yet been made.

17 "Finance charge" means the cost of financing as a dollar
18 amount. "Finance charge" includes any charge payable directly
19 or indirectly by the recipient and imposed directly or
20 indirectly by the provider as an incident to or a condition of
21 the extension of financing. "Finance charge" includes any
22 charges as determined by the Secretary. For the purposes of
23 computing the annual percentage rate of open-end financing, a
24 finance charge shall be computed assuming the maximum amount
25 of credit available to the recipient, in each case, that could
26 be drawn and held for the duration of the term or draw period.

1 For the purposes of a factoring transaction, "finance charge"
2 includes the discount taken on the face value of the accounts
3 receivable. In addition, the finance charge shall include any
4 charges determined by the Secretary.

5 "Multistate licensing system" means the Nationwide
6 Multistate Licensing System and Registry developed by the
7 Conference of State Bank Supervisors and the American
8 Association of Residential Mortgage Regulators and owned and
9 operated by the State Regulatory Registry, LLC, or any
10 successor or affiliated entity, for the licensing and
11 registration of persons in financial services industries.

12 "Open-end financing" means an agreement for one or more
13 extensions of open-end credit, secured or unsecured, that the
14 recipient does not intend to use the proceeds of primarily for
15 personal, family, or household purposes. "Open-end financing"
16 includes credit extended by a provider under a plan in which:
17 (i) the provider reasonably contemplates repeated
18 transactions; (ii) the provider may impose a finance charge
19 from time to time on an outstanding unpaid balance; and (iii)
20 the amount of credit that may be extended to the recipient
21 during the term of the plan is generally made available to the
22 extent that any outstanding balance is repaid.

23 "Person" means an individual, entity, corporation,
24 partnership, limited liability company, joint venture,
25 association, joint stock company, trust, any other form of
26 business association or legal entity, or unincorporated

1 organization, including but not limited, a sole
2 proprietorship.

3 "Provider" means a person who extends a specific offer of
4 commercial financing to a recipient. "Provider", unless
5 otherwise exempt, includes a person who solicits and presents
6 specific offers of commercial financing on behalf of a third
7 party, unless that third party is exempt under this Act. The
8 mere extension of a specific offer or provision of disclosures
9 for a commercial financing, is not sufficient to conclude that
10 a provider is originating, making, funding, or providing
11 commercial financing.

12 "Recipient" means a person located in the State of
13 Illinois who applies for commercial financing and is made a
14 specific offer of commercial financing by a provider. For the
15 purpose of determining whether a recipient is located in
16 Illinois, a provider may rely upon (i) any written
17 representation by the recipient as to whether it is located in
18 Illinois; or (ii) the business address provided by the
19 recipient in the application for commercial financing showing
20 that the recipient is located in Illinois. "Recipient"
21 includes an authorized representative of a person who applies
22 for commercial financing and is made a specific offer of
23 commercial financing by a provider. "Recipient" does not
24 include a person acting as a broker is not a recipient in a
25 transaction they broker.

26 "Registrant" means a person holding an active registration

1 pursuant to Section 20 of this Act.

2 "Sales-based financing" means a transaction that is repaid
3 by the recipient to the provider, over time, as a percentage of
4 sales or revenue, in which the payment amount may increase or
5 decrease according to the volume of sales made or revenue
6 received by the recipient or a transaction that includes a
7 true-up mechanism where the financing is repaid as a fixed
8 payment but provides for a reconciliation process that adjusts
9 the payment to an amount that is a percentage of sales or
10 revenue.

11 "Secretary" means the Secretary of Financial and
12 Professional Regulation or a person authorized by the
13 Secretary to perform the Secretary's responsibilities under
14 this Act.

15 "Specific offer" means the specific terms of commercial
16 financing, including price or amount, that is quoted to a
17 recipient based on information obtained from or about the
18 recipient that, if accepted by a recipient, shall be binding
19 on the provider, as applicable, subject to any specific
20 requirements stated in the specific terms.

21 "True-up mechanism" means, with respect to sales-based
22 financing, a contractual arrangement with all the following
23 elements:

24 (1) The provider receives periodic payments based upon
25 a pre-set amount or amounts stated in the contract.

26 (2) The contract allows the recipient to request, or

1 the provider to initiate, adjustments to the payment
2 amount, credits to the recipient, or charges to the
3 recipient after execution of the contract, so that the
4 total amount paid by the recipient more closely reflects a
5 split rate listed in the contract.

6 Section 10. Applicability.

7 (a) Except as otherwise provided in this Section, this Act
8 applies to any person that offers or provides commercial
9 financing in Illinois or is otherwise a provider.

10 (b) The provisions of this Act apply to any person that
11 seeks to evade its applicability by any device, subterfuge, or
12 pretense whatsoever.

13 (c) The provisions of this Act apply to any person that
14 aids or facilitates a violation of this Act.

15 (d) The provisions of this Act do not apply to:

16 (1) a bank, trust company, or industrial loan company,
17 or any subsidiary or affiliate thereof, doing business
18 under the authority of, or in accordance with, a license,
19 certificate or charter issued by the United States, this
20 State, or any other state, district, territory, or
21 commonwealth of the United States that is authorized to
22 transact business in this State;

23 (2) a federally chartered savings and loan
24 association, federal savings bank, or federal credit
25 union, or any subsidiary or affiliate thereof, that is

1 authorized to transact business in this State;

2 (3) a savings and loan association, savings bank, or
3 credit union, or any subsidiary or affiliate thereof,
4 organized under the laws of this State or any other state
5 that is authorized to transact business in this State;

6 (4) a lender regulated under the federal Farm Credit
7 Act; and

8 (5) a person acting in the person's capacity as a
9 technology services provider to an entity described by
10 subparagraph (1), (2), or (3) for use as part of that
11 entity's commercial financing program, provided the person
12 has no interest, or arrangement, or agreement to purchase
13 any interest in the commercial financing extended by the
14 entity in connection with the program.

15 Section 15. Division of Financial Institutions. This Act
16 shall be administered by the Division on behalf of the
17 Secretary.

18 Section 20. Registration requirement.

19 (a) It is unlawful for a person to engage in the conduct
20 regulated by this Act unless the person: (i) registers with
21 the Secretary in accordance with this Section; and (ii)
22 maintains a valid registration. An officer or employee of a
23 person required to register under this Section is not required
24 to register if the person for whom the individual is an officer

1 or employee is registered.

2 (b) Application for registration and renewal of
3 registration shall be made in accordance with this Act and
4 with the requirements of the multistate licensing system, if
5 required by the Secretary. The application shall be in
6 writing, under oath, and on a form obtained from and
7 prescribed by the Secretary. The Secretary may change or
8 update the form to carry out the purposes of this Act. The
9 Secretary may require part or all of the application to be
10 submitted electronically, with attestation, to the multistate
11 licensing system.

12 (c) Registrants shall apply to renew their registration
13 every calendar year. Registrants may submit properly completed
14 renewal application forms and filing fees 60 days before the
15 registration expiration date, and the same shall be received
16 by the Secretary at least 30 days before the registration
17 expiration date. Absent a written extension from the
18 Department, a registration shall expire on December 31 of each
19 year if a registrant fails to timely submit a properly
20 completed renewal application and fees.

21 (d) Upon receipt of the registration, a registrant is
22 authorized to engage in conduct regulated by this Act. The
23 registration shall remain in full force and effect until it
24 expires, is withdrawn by the registrant, or is revoked or
25 suspended as provided in this Act.

26 (e) To register under this Section, an applicant shall:

1 (1) pay a registration fee of \$2,500 to the
2 Department; and

3 (2) submit a registration statement containing the
4 information described in subsection (g).

5 (f) To renew a registration under this Section, a person
6 shall:

7 (1) pay the annual fee of \$2,500 to the Department;
8 and

9 (2) submit a renewal statement containing the
10 information described in subsection (g).

11 (g) A registration or renewal statement must be submitted
12 to the Secretary or to the multistate licensing system as
13 approved by the Secretary. The registration or renewal
14 statement shall include:

15 (1) the name of the person;

16 (2) the name in which the business will be transacted
17 if different from that required in paragraph (1), which
18 must be properly registered as an assumed corporate name
19 under the Business Corporation Act of 1983, an assumed
20 limited liability company name under the Limited Liability
21 Company Act, or an assumed business name under the Assumed
22 Business Name Act;

23 (3) the address of the person's principal business
24 office;

25 (4) the address of each office in this State at which
26 the person engages in commercial financing transactions;

1 (5) if the person engages in commercial financing
2 transactions in this State but does not maintain an office
3 in this State, a brief description of the manner in which
4 the business is conducted;

5 (6) the name and address in this State of the person's
6 agent properly registered with the Secretary of State;

7 (7) for a registration application, whether the
8 applicant, an officer, director, manager, operator, or
9 principal of the applicant, or an employee of the
10 applicant has been convicted of a crime in which there is a
11 substantial relationship between the underlying criminal
12 activity and the duties of the registrant. Convictions
13 occurring 5 or more years before the date of the
14 application shall not be included or considered by the
15 Department; if the applicant answers yes to this
16 paragraph, then the applicant shall report the names,
17 titles, or relationship to the applicant and the nature of
18 the covered crime;

19 (8) for a renewal application, whether, in the past
20 year, the registrant, an officer, director, manager,
21 operator, or principal of the registrant, or an employee
22 of the registrant has been convicted of a crime in which
23 there is a substantial relationship between the underlying
24 criminal activity and the duties of the registrant,
25 provided, however, convictions occurring 5 or more years
26 before the date of the application shall not be included

1 or considered by the Department; if the registrant answers
2 yes to this paragraph, then the registrant shall report
3 the names, titles, or relationship to the applicant or
4 registrant, and the nature of the covered crime;

5 (9) a statement of the person's commitment to abide by
6 the requirements under this Act, including providing the
7 required financing disclosures in commercial financing
8 offers as required under Sections 45, 50, 55, 60, 65, and
9 70 of this Act;

10 (10) a copy of the commercial financing disclosure
11 form to be used for each type of commercial financing that
12 the person offers or intends to offer, and a description
13 of when the disclosure will be provided to the recipient;

14 (11) information on financing offers presented by the
15 person in Illinois in the previous calendar year,
16 including the number of financing offers made, the number
17 of financing offers made in which the disclosures as
18 required by Sections 45, 50, 55, 60, 65, and 70 were
19 offered, and the number of financing offers accepted by
20 recipients; and

21 (12) any other information deemed necessary by the
22 Secretary.

23 (h) The Secretary may refuse to accept or renew a
24 registration if:

25 (1) the Secretary determines that the person has not
26 complied with the provisions of this Act, its implementing

1 rules, or other laws that apply to the person;

2 (2) the Secretary determines that the person does not
3 meet the requirements to accept registration or renew
4 registration; or

5 (3) the Secretary determines that there is substantial
6 continuity between the person and any violator of this
7 Act, its implementing rules, or other laws that apply to
8 the person or related violator.

9 (i) The Department may adopt such rules as may be required
10 for the proper administration and enforcement of this Section
11 and prescribe forms for the registration and renewal
12 statements.

13 Section 25. Additional registration information.

14 (a) In order to fulfill the purposes of this Act, the
15 Secretary may establish relationships or contracts with a
16 multistate licensing system or other persons to collect and
17 maintain records and process fees related to registrants or
18 other persons subject to this Act.

19 (b) For the purposes of this Section, and to reduce the
20 points of contact that the Secretary may have to maintain, the
21 Secretary may use a multistate licensing system as a
22 channeling agent for requesting and distributing information
23 to and from any source.

24 (c) Each registrant shall furnish to the Secretary or
25 multistate licensing system an updated business address within

1 10 days after any change of business address.

2 Section 30. Registration expiration. No activity regulated
3 by this Act shall be conducted by a person whose registration
4 has expired. The Secretary may, within the Secretary's
5 discretion, reinstate an expired registration upon payment of
6 the renewal fee, payment of a reactivation fee equal to 5 times
7 the renewal fee, submission of a completed renewal
8 application, and an affidavit of good cause for late renewal.

9 Section 35. Functions; powers; duties. The functions,
10 powers, and duties of the Secretary include, but are not
11 limited to, the following:

12 (1) to issue or refuse to issue any registration or
13 renewal;

14 (2) to revoke or suspend for cause any registration
15 issued under this Act;

16 (3) to keep records of all registrations issued under
17 this Act;

18 (4) to receive, consider, investigate, and act upon
19 complaints made by any person in connection with any
20 registration in this State or unregistered commercial
21 financing activity of any person;

22 (5) to adopt rules necessary and proper for the
23 administration of this Act, to protect consumers and
24 financing recipients, to promote fair competition, and as

1 otherwise authorized by this Act;

2 (6) to subpoena documents and witnesses and compel
3 their attendance and production, to administer oaths, and
4 to require the production of any books, papers, or other
5 materials relevant to any inquiry authorized by this Act
6 or its implementing rules;

7 (7) to issue orders against any person if the
8 Secretary has reasonable cause to believe that an unsafe,
9 unsound, or unlawful practice has occurred, is occurring,
10 or is about to occur; if any person is violating, or is
11 about to violate any law, rule, or written agreement with
12 the Secretary; or for the purpose of administering the
13 provisions of this Act and any rule adopted in accordance
14 with this Act;

15 (8) to address any inquiries to any registrant,
16 person, or the owners, officers, or directors thereof, in
17 relation to its activities and conditions, or any other
18 matter connected with its affairs, and any registrant or
19 person so addressed shall promptly reply in writing to
20 those inquiries. The Secretary may also require reports
21 from any registrant at any time the Secretary deems
22 desirable;

23 (9) to enforce provisions of this Act and its
24 implementing rules;

25 (10) to levy fees, including, but not limited to,
26 assessments, registration fees, civil penalties, and

1 charges for services performed in administering this Act.
2 The Secretary may establish and modify fees by rule. The
3 aggregate of all fees collected by the Secretary under
4 this Act shall be paid promptly after receipt into the
5 Financial Institution Fund. The amounts deposited into the
6 Financial Institution Fund shall be used for the ordinary
7 and contingent expenses of the Department. Nothing in this
8 Act prevents paying expenses including salaries,
9 retirement, social security, and State-paid insurance of
10 State employees, or any other expenses incurred under this
11 Act by appropriation from the General Revenue Fund or any
12 other fund;

13 (11) to issue refunds to registrants of any
14 overpayment for good cause shown;

15 (12) to appoint experts and special assistants as
16 needed to effectively and efficiently administer this Act;

17 (13) to conduct hearings for the purpose of
18 suspensions, denials, or revocations of registrations,
19 fining, or other discipline of registrants or unregistered
20 persons or entities;

21 (14) to exercise visitorial power over a registrant:
22 (A) if the Secretary has reasonable cause to believe that
23 an unsafe, unsound, or unlawful practice has occurred, is
24 occurring, or is about to occur; or (B) if a person is
25 violating or is about to violate any law, rule, or written
26 agreement with the Secretary; and

1 (15) to enter into cooperative agreements with state
2 regulatory authorities of other states to provide for
3 examination of corporate offices or branches of those
4 states, participate in joint examinations with other
5 regulators, and to accept reports of the examinations: (A)
6 if the Secretary has reasonable cause to believe that an
7 unsafe, unsound, or unlawful practice has occurred, is
8 occurring, or is about to occur; or (B) if a person is
9 violating or is about to violate any law, rule, or written
10 agreement with the Secretary;

11 (16) to impose civil penalties of up to \$200 per day
12 against a registrant for failing to respond to a
13 regulatory request or reporting requirement; and

14 (17) to enter into agreements in connection with a
15 multistate licensing system;

16 (18) to examine the books and records of every
17 registrant under this Act; and

18 (19) to conduct examinations of the books, records,
19 and funding documents of any registrant at any time after
20 surrender of the registration, filing of bankruptcy, or
21 the cessation of operations.

22 Section 40. Subpoena power of the Secretary.

23 (a) The Secretary may issue and serve subpoenas and
24 subpoenas duces tecum to compel the attendance of witnesses
25 and the production of all books, accounts, records, and other

1 documents and materials relevant to an investigation. The
2 Secretary, or the Secretary's duly authorized representative,
3 may administer oaths and affirmations to any person.

4 (b) If a person does not comply with the Secretary's
5 subpoena or subpoena duces tecum, the Secretary may, through
6 the Attorney General, petition the circuit of any county in
7 which the subpoenaed person conducts business in the State of
8 Illinois for an order requiring the subpoenaed person to
9 testify and to comply with the subpoena duces tecum. The court
10 may grant injunctive relief restraining the person from
11 engaging in activity regulated by this Act. The court may
12 grant other relief, including, but not limited to, the
13 restraint, by injunction or appointment of a receiver, of any
14 transfer, pledge, assignment, or other disposition of the
15 person's assets, concealment, destruction, or other
16 disposition of books, accounts, records, or other documents
17 and materials, as the court deems appropriate, until the
18 person has fully complied with the subpoena or subpoena duces
19 tecum and the Secretary has completed an investigation.

20 (c) The Court may also require a sufficient bond
21 conditioned on compliance with the subpoena or subpoena duces
22 tecum. The court shall cause to be endorsed on the order a
23 suitable amount of bond or payment pursuant to which the
24 person named be freed, having a due regard to the nature of the
25 case.

26 (d) In addition, the Secretary may, through the Attorney

1 General, seek a writ of attachment or an equivalent order from
2 the circuit court having jurisdiction over the person who has
3 refused to obey a subpoena, who has refused to give testimony,
4 or who has refused to produce the matters described in the
5 subpoena duces tecum.

6 Section 45. Sales-based financing disclosure requirements.
7 A provider subject to this Act shall provide the following
8 disclosures to a recipient, in a manner clearly and
9 conspicuously prescribed by the Secretary, at the time of
10 extending a specific offer of sales-based financing:

11 (1) The total amount of the commercial financing, and,
12 if different from the financing amount, the disbursement
13 amount after any amount deducted or withheld at
14 disbursement.

15 (2) The finance charge.

16 (3) The estimated annual percentage rate, using the
17 words annual percentage rate or the abbreviation
18 "Estimated APR", expressed as a yearly rate, inclusive of
19 any fees and finance charges, based on the estimated term
20 of repayment and the projected periodic payment amounts.
21 The estimated term of repayment and the projected periodic
22 payment amounts shall be calculated based on the
23 projection of the recipient's sales, which may be referred
24 to as the projected sales volume. The projected sales
25 volume may be calculated using the historical method or

1 the underwriting method. The provider shall provide notice
2 to the Secretary on which method the provider intends to
3 use across all instances of sales-based financing offered
4 in calculating the estimated annual percentage rate under
5 this Section, according to the following:

6 (A) A provider using the historical method shall
7 use an average historical volume of sales or revenue
8 by which the financing's payment amounts are based and
9 the estimated annual percentage rate is calculated.
10 The provider shall fix the historical time period used
11 to calculate the average historical volume and use the
12 period for all disclosure purposes for all sales-based
13 financing products offered. The fixed historical time
14 period shall either be the preceding time period from
15 the specific offer or, alternatively, the provider may
16 use average sales for the same number of months with
17 the highest sales volume within the previous 12
18 months. The fixed historical time period shall be no
19 less than one month and shall not exceed 12 months.

20 (B) A provider using the underwriting method shall
21 determine the estimated annual percentage rate, the
22 estimated term, and the projected payments, using a
23 projected sales volume that the provider elects for
24 each disclosure, if they participate in a review
25 process prescribed by the Secretary. A provider shall,
26 on an annual basis, report data to the Secretary of

1 estimated annual percentage rates disclosed to the
2 recipient and actual retrospective annual percentage
3 rates of completed transactions. The report shall
4 contain the information as the Department may adopt by
5 rule as necessary or appropriate for the purpose of
6 making a determination of whether the deviation
7 between the estimated annual percentage rate and
8 actual retrospective annual percentage rates of
9 completed transactions was reasonable. The Secretary
10 shall establish the method of reporting and may, upon
11 a finding that the use of projected sales volume by the
12 provider has resulted in an unacceptable deviation
13 between estimated and actual annual percentage rate,
14 require the provider to use the historical method. The
15 Secretary may consider unusual and extraordinary
16 circumstances impacting the provider's deviation
17 between estimated and actual annual percentage rate in
18 the determination of the finding.

19 (4) The total repayment amount, which is the
20 disbursement amount plus the finance charge.

21 (5) The estimated term, which is the period of time
22 required for the periodic payments, based on the projected
23 sales volume, to equal the total amount required to be
24 repaid.

25 (6) The payment amounts, based on the projected sales
26 volume:

1 (A) for payment amounts that are fixed, the
2 payment amounts and frequency, such as, daily, weekly,
3 monthly, and, if the payment frequency is other than
4 monthly, the amount of the average projected payments
5 per month; or

6 (B) for payment amounts that are variable, a
7 payment schedule or a description of the method used
8 to calculate the amounts and frequency of payments and
9 the amount of the average projected payments per
10 month.

11 (7) A description of all other potential fees and
12 charges not included in the finance charge, including, but
13 not limited to, draw fees, late payment fees, and returned
14 payment fees.

15 (8) If the recipient elects to pay off or refinance
16 the commercial financing before full repayment, the
17 provider shall disclose:

18 (A) whether the recipient would be required to pay
19 any finance charges other than interest accrued since
20 the recipient's last payment; if so, disclosure of the
21 percentage of any unpaid portion of the finance charge
22 and maximum dollar amount the recipient could be
23 required to pay; and

24 (B) whether the recipient would be required to pay
25 any additional fees not already included in the
26 finance charge.

1 (9) A description of collateral requirements or
2 security interests, if any.

3 Section 50. Commercial closed-end financing disclosure
4 requirements.

5 (a) A provider subject to this Act shall provide the
6 following disclosures to a recipient, in a manner clearly and
7 conspicuously prescribed by the Secretary, at the time of
8 extending a specific offer for closed-end financing:

9 (1) The total amount of the commercial financing, and,
10 if different from the financing amount, the disbursement
11 amount after any amount deducted or withheld at
12 disbursement.

13 (2) The finance charge.

14 (3) The annual percentage rate, using only the words
15 annual percentage rate or the abbreviation "APR",
16 expressed as a yearly rate, inclusive of any fees and
17 finance charges that cannot be avoided by a recipient.

18 (4) The total repayment amount, which is the
19 disbursement amount plus the finance charge.

20 (5) The term of the financing.

21 (6) The payment amounts:

22 (A) for payment amounts that are fixed, the
23 payment amounts and frequency, such as daily, weekly,
24 monthly, and, if the term is longer than one month, the
25 average monthly payment amount; or

1 (B) for payment amounts that are variable, a full
2 payment schedule or a description of the method used
3 to calculate the amounts and frequency of payments,
4 and, if the term is longer than one month, the
5 estimated average monthly payment amount.

6 (7) A description of all other potential fees and
7 charges that can be avoided by the recipient, including,
8 but not limited to, late payment fees and returned payment
9 fees.

10 (8) If the recipient elects to pay off or refinance
11 the commercial financing before full repayment, the
12 provider shall disclose:

13 (A) whether the recipient would be required to pay
14 any finance charges other than interest accrued since
15 the recipient's last payment; if so, disclosure of the
16 percentage of any unpaid portion of the finance charge
17 and maximum dollar amount the recipient could be
18 required to pay; and

19 (B) whether the recipient would be required to pay
20 any additional fees not already included in the
21 finance charge.

22 (9) A description of collateral requirements or
23 security interests, if any.

24 (b) If an advance requires repayment in periodic
25 installments over time and does not qualify as sales-based
26 financing, then the advance qualifies as close-end financing

1 and shall satisfy the disclosure requirements of this Section.

2 Section 55. Open-end commercial financing disclosure
3 requirements. A provider subject to this Act shall provide the
4 following disclosures to a recipient, in a manner clearly and
5 conspicuously prescribed by the Secretary, at the time of
6 extending a specific offer for open-end financing:

7 (1) The maximum amount of credit available to the
8 recipient, such as the credit line amount, and the amount
9 scheduled to be drawn by the recipient at the time the
10 offer is extended, if any, less any amount deducted or
11 withheld at disbursement.

12 (2) The finance charge.

13 (3) The annual percentage rate, using only the words
14 annual percentage rate or the abbreviation "APR",
15 expressed as a nominal yearly rate, inclusive of any fees
16 and finance charges that cannot be avoided by a recipient,
17 and based on the maximum amount of credit available to the
18 recipient and the term resulting from making the minimum
19 required payments term as disclosed.

20 (4) The total repayment amount, which is the draw
21 amount, less any fees deducted or withheld at
22 disbursement, plus the finance charge. The total repayment
23 amount shall assume a draw amount equal to the maximum
24 amount of credit available to the recipient if drawn and
25 held for the duration of the term or draw period.

1 (5) The term of the plan, if applicable, or the period
2 over which a draw is amortized.

3 (6) The payment frequency and amounts, based on the
4 assumptions used in the calculation of the annual
5 percentage rate, including a description of payment amount
6 requirements such as a minimum payment amount, and if the
7 payment frequency is other than monthly, the amount of the
8 average projected payments per month. For payment amounts
9 that are variable, the provider should include a payment
10 schedule or a description of the method used to calculate
11 the amounts and frequency of payments and the estimated
12 average monthly payment amount.

13 (7) A description of all other potential fees and
14 charges that can be avoided by the recipient, including,
15 but not limited to, draw fees, late payment fees, and
16 returned payment fees.

17 (8) Were the recipient to elect to pay off or
18 refinance the commercial financing before full repayment,
19 the provider shall disclose:

20 (A) whether the recipient would be required to pay
21 any finance charges other than interest accrued since
22 the recipient's last payment; if so, disclosure of the
23 percentage of any unpaid portion of the finance charge
24 and maximum dollar amount the recipient could be
25 required to pay; and

26 (B) whether the recipient would be required to pay

1 any additional fees not already included in the
2 finance charge.

3 (9) A description of collateral requirements or
4 security interests, if any.

5 Section 60. Factoring transaction disclosure requirements.
6 A provider subject to this Act shall provide the following
7 disclosures to a recipient, in a manner clearly and
8 conspicuously prescribed by the Secretary, at the time of
9 extending a specific offer for a factoring transaction:

10 (1) The amount of the receivables purchase price paid
11 to the recipient, and, if different from the purchase
12 price, the disbursement amount after any amount deducted
13 or withheld at disbursement.

14 (2) The finance charge.

15 (3) The estimated annual percentage rate, using that
16 term. To calculate the estimated annual percentage rate,
17 the purchase amount is considered the financing amount,
18 the purchase amount minus the finance charge is considered
19 the payment amount, and the term is established by the
20 payment due date of the receivables. As an alternate
21 method of establishing the term, the provider may estimate
22 the term for a factoring transaction as the average
23 payment period based on its historical data over a period
24 not to exceed the previous 12 months, concerning payment
25 invoices paid by the party or parties owing the accounts

1 receivable in question.

2 (4) The total payment amount, which is the purchase
3 amount plus the finance charge.

4 (5) A description of all other potential fees and
5 charges that can be avoided by the recipient.

6 (6) A description of the receivables purchased and any
7 additional collateral requirements or security interests.

8 Section 65. Other forms of financing disclosure
9 requirements. The Secretary may require disclosure by a
10 provider extending a specific offer of commercial financing
11 which is not an open-end financing, closed-end financing,
12 sales-based financing, or factoring transaction but otherwise
13 meets the definition of commercial financing. Subject to rules
14 adopted by the Secretary, a provider subject to this Act shall
15 provide the following disclosures to a recipient, in a manner
16 clearly and conspicuously prescribed by the Secretary, at the
17 time of extending a specific offer of other forms of
18 financing:

19 (1) The total amount of the commercial financing, and,
20 if different from the financing amount, the disbursement
21 amount after any fees deducted or withheld at
22 disbursement.

23 (2) The finance charge.

24 (3) The annual percentage rate, using only the words
25 annual percentage rate or the abbreviation "APR",

1 expressed as a yearly rate, inclusive of any fees and
2 finance charges.

3 (4) The total repayment amount which is the
4 disbursement amount plus the finance charge.

5 (5) The term of the financing.

6 (6) The payment amounts:

7 (A) for payment amounts that are fixed, the
8 payment amounts and frequency, such as daily, weekly,
9 monthly, and the average monthly payment amount; or

10 (B) for payment amounts that are variable, a
11 payment schedule or a description of the method used
12 to calculate the amounts and frequency of payments,
13 and the estimated average monthly payment amount.

14 (7) A description of all other potential fees and
15 charges that can be avoided by the recipient, including,
16 but not limited to, late payment fees and returned payment
17 fees.

18 (8) If the recipient elects to pay off or refinance
19 the commercial financing before full repayment, the
20 provider shall disclose:

21 (A) whether the recipient would be required to pay
22 any finance charges other than interest accrued since
23 the recipient's last payment; if so, disclosure of the
24 percentage of any unpaid portion of the finance charge
25 and maximum dollar amount the recipient could be
26 required to pay; and

1 (B) whether the recipient would be required to pay
2 any additional fees not already included in the
3 finance charge.

4 (9) A description of collateral requirements or
5 security interests, if any.

6 Section 70. Disclosure requirements for renewal financing.
7 If, as a condition of obtaining the commercial financing, the
8 provider requires the recipient to pay off the balance of an
9 existing commercial financing from the same provider, the
10 provider shall disclose:

11 (1) The amount of the new commercial financing that is
12 used to pay off the portion of the existing commercial
13 financing that consists of prepayment charges required to
14 be paid and any unpaid interest expense that was not
15 forgiven at the time of renewal. For financing for which
16 the total repayment amount is calculated as a fixed
17 amount, the prepayment charge is equal to the original
18 finance charge multiplied by the amount of the renewal
19 used to pay off existing financing as a percentage of the
20 total repayment amount, minus any portion of the total
21 repayment amount forgiven by the provider at the time of
22 prepayment. If the amount is more than zero, the amount
23 shall be the answer to the following question: "Does the
24 renewal financing include any amount that is used to pay
25 unpaid finance charges or fees, also known as double

1 dipping? Yes, {enter amount}. If the amount is zero, the
2 answer would be no."

3 (2) If the disbursement amount will be reduced to pay
4 down any unpaid portion of the outstanding balance, the
5 actual dollar amount by which the disbursement amount will
6 be reduced.

7 Section 75. Additional information. Nothing in this Act
8 shall prevent a provider from providing or disclosing
9 additional information on a commercial financing being offered
10 to a recipient, provided however, that the additional
11 information shall not be disclosed as part of the disclosure
12 required by this Act. If other metrics of financing cost are
13 disclosed or used in the application process of a commercial
14 financing, these metrics shall not be presented as a "rate" if
15 they are not the annual interest rate or the annual percentage
16 rate. The term "interest", when used to describe a percentage
17 rate, shall only be used to describe annualized percentage
18 rates, such as the annual interest rate. When a provider
19 states a rate of finance charge or a financing amount to a
20 recipient during an application process for commercial
21 financing, the provider shall also state the rate as an
22 "annual percentage rate", using that term or the abbreviation
23 "APR".

24 Section 80. Commercial financing disclosure forms approved

1 for use in the other states. The Secretary may approve the use
2 of commercial financing disclosure forms approved for use in
3 other states with commercial financing disclosure requirements
4 that are substantially similar to or exceed the requirements
5 set forth in this Act, including the disclosure requirements
6 in Sections 45, 50, 55, 60, 65, and 70 of this Act.

7 Section 85. Violation of disclosure requirements. If the
8 Secretary finds that a provider who is required to register
9 with the Department according to this Act has violated any
10 disclosure requirements outlined in Sections 45, 50, 55, 60,
11 65, 70, and 75, that shall be considered a violation of this
12 Act separate from any other violation that may result from
13 operating without a registration as outlined in Section 95.

14 Section 90. Notification.

15 (a) A registrant must advise the Secretary in writing of
16 any changes to the information submitted on its most recent
17 registration or renewal of registration within 30 days after
18 the change.

19 (b) A registrant must advise the Secretary in writing that
20 the registrant or any officer, director, manager, operator, or
21 principal of the registrant has been disciplined, including
22 denial of licensure, by another state, the District of
23 Columbia, a territory or foreign nation, a governmental
24 agency, or any entity authorized to impose discipline against

1 the registrant within 10 days after entry of the discipline.

2 Section 95. Disciplinary actions.

3 (a) The Secretary may enter an order imposing one or more
4 of the following penalties:

5 (1) revocation of registration;

6 (2) suspension of a registration subject to
7 reinstatement upon satisfying all reasonable conditions
8 the Secretary may specify;

9 (3) placement of the registrant or applicant on
10 probation for a period of time and subject to all
11 reasonable conditions as the Secretary may specify;

12 (4) imposition of civil monetary penalties not to
13 exceed \$10,000 for each separate offense. Civil penalties
14 shall not exceed \$50,000 for all violations arising from a
15 same single consummated transaction, or from all financing
16 offers that are not consummated, unless the provider has
17 previously been found in violation of this act;

18 (5) restitution, refunds, or any other relief
19 necessary to protect recipients; and

20 (6) denial of a registration.

21 (b) Grounds for penalties include:

22 (1) if a registrant has violated or aided another to
23 violate any provision of this Act, any rule adopted by the
24 Secretary, or any other law, rule, or regulation of this
25 State, any other state, or the United States;

1 (2) if a person has violated or aided another to
2 violate any provision of this Act or any rule adopted by
3 the Secretary pursuant to this Act;

4 (3) if a fact or condition exists that, if it had
5 existed at the time of the original application for
6 registration, would have warranted the Secretary in
7 refusing issue the original registration;

8 (4) that a registrant or applicant that is not an
9 individual has acted or failed to act in a way that would
10 be cause for suspending or revoking a registration to an
11 individual;

12 (5) that a person engaged in unsafe, unsound, unfair,
13 deceptive, or abusive business practices related to the
14 activity covered by this Act;

15 (6) that a registrant or applicant or any officer,
16 director, manager, operator, or principal of the
17 registrant or applicant, or an employee of the registrant
18 or applicant engaged in the business of commercial
19 financing has been adjudicated guilty of a crime against
20 the law of this State, any other state, or of the United
21 States in which there is a substantial relationship
22 between the underlying criminal activity and the duties of
23 the registrant. Criminal adjudications occurring 5 or more
24 years before the date of the Department's disciplinary
25 order shall not be considered by the Department;

26 (7) that a final judgment has been entered against

1 registrant, applicant, or an officer, director, manager,
2 operator, or principal of the registrant or applicant, or
3 an employee of the registrant or applicant engaged in the
4 business of commercial financing in a civil action upon
5 grounds of abusive conduct, conversion, fraud,
6 misrepresentation, or deceit;

7 (8) that an applicant made a material misstatement in
8 the applicant's application for registration or any other
9 communication to the Secretary;

10 (9) that a person has demonstrated, by course of
11 conduct, negligence or incompetence in performing any act
12 for which it is required to hold a registration under this
13 Act;

14 (10) that a person has failed to advise the Secretary
15 in writing of any changes to the information submitted on
16 the person's most recent registration or renewal of
17 registration within 30 days after the change;

18 (11) that a registrant, applicant, or an officer,
19 director, manager, operator, or principal of the
20 registrant or applicant, or an employee of the registrant
21 or applicant had a license, registration, or the
22 equivalent, to practice any profession, occupation, other
23 industry or activity requiring licensure revoked,
24 suspended, disciplined, or otherwise acted against,
25 including the denial of licensure by another state, the
26 District of Columbia, a territory or foreign nation, a

1 governmental agency, or any entity authorized to impose
2 discipline against the registrant;

3 (12) that a person failed to maintain, preserve, and
4 keep available for Secretary review all books, accounts,
5 or other documents required by the provisions of this Act
6 and rules of the Secretary;

7 (13) that a person failed to account or deliver to any
8 person any property, such as any money, fund, deposit,
9 check, draft, or other document or thing of value, that
10 has come into its hands and that is not its property or
11 that it is not in law or equity entitled to retain, under
12 the circumstances and at the time which has been agreed
13 upon or is required by law or, in the absence of a fixed
14 time, upon demand of the person for such accounting and
15 delivery;

16 (14) that a person failed to disburse funds in
17 accordance with agreements or laws;

18 (15) that a person registered under this Act failed to
19 timely notify the Secretary that the person has been
20 disciplined, including denial of licensure, by a licensing
21 authority of this State or another state as required under
22 subsection (b) of Section 90;

23 (16) that a person engaged in activities regulated by
24 this Act without a current, active registration unless
25 specifically exempted by this Act;

26 (17) that a person failed to timely pay any fee,

1 charge, or civil penalty assessed under this Act; and

2 (18) that a person refused, obstructed, evaded, or
3 unreasonably delayed an investigation or information
4 request authorized under this Act, or refused, obstructed,
5 evaded, or unreasonably delayed compliance with the
6 Secretary's subpoena or subpoena duces tecum.

7 (c) No registration shall be suspended or revoked, except
8 as provided in this Section, nor shall any person be assessed a
9 civil penalty without notice of his or her right to a hearing.

10 (d) The Secretary may suspend any registration for a
11 period not exceeding 180 days pending investigation for good
12 cause shown that an emergency exists.

13 (e) No revocation, suspension, or surrender of any
14 registration shall impair or affect the obligation of any
15 preexisting lawful contract between the registrant and any
16 person. The Secretary's approval of a registrant's application
17 to surrender its registration shall not affect the
18 registrant's civil or criminal liability for acts committed
19 prior to surrender. Surrender of a registration does not
20 entitle the registrant to a return of any part of the
21 registration fee.

22 (f) Every registration issued under this Act shall remain
23 in force and effect until the registration expires, is
24 surrendered, is revoked, or is suspended in accordance with
25 the provisions of this Act. The Secretary shall have authority
26 to reinstate a suspended registration or to issue a new

1 registration to a person whose registration has been revoked
2 or surrendered if no fact or condition then exists which would
3 have warranted the Secretary in refusing originally to issue
4 that registration under this Act.

5 (g) Whenever the Secretary imposes discipline authorized
6 by this Section, the Secretary shall execute a written order
7 to that effect. The Secretary shall serve a copy of the order
8 upon the person. The Secretary shall serve the person with
9 notice of the order, including a statement of the reasons for
10 the order personally or by certified mail. Service by
11 certified mail shall be deemed completed when the notice is
12 deposited in the U.S. Mail.

13 (h) An order assessing a civil penalty, an order revoking
14 or suspending a registration, or an order denying renewal of a
15 registration shall take effect upon service of the order
16 unless the person serves the Department with a written request
17 for a hearing in the manner required by the order within 10
18 days after the date of service of the order. If a person
19 requests a hearing, the order shall be stayed from its date of
20 service until the Department enters a final administrative
21 order. Hearings shall be conducted as follows:

22 (1) If the person requests a hearing, then the
23 Secretary shall schedule a preliminary hearing within 90
24 days after the request for a hearing unless otherwise
25 agreed to by the parties.

26 (2) The preliminary hearing shall be held at the time

1 and place designated by the Secretary. The Secretary and
2 any administrative law judge designated by the Secretary
3 shall have the power to administer oaths and affirmations,
4 subpoena witnesses and compel their attendance, take
5 evidence, and require the production of books, papers,
6 correspondence, and other records or information that they
7 consider relevant or material to the inquiry.

8 (i) The costs of administrative hearings conducted under
9 this Section shall be paid by the registrant or other person
10 subject to the hearing.

11 (j) Registrants and other persons subject to this Act
12 shall be subject to the disciplinary actions specified in this
13 Act for any violations conducted by any officer, director,
14 shareholder, joint venture, partner, owner, including, but not
15 limited to, ultimate equitable owner.

16 (k) In a matter in which the Department alleges the
17 registrant fails to report a conviction or criminal
18 adjudication, the Department bears the burden of showing the
19 underlying crime is substantially related to the duties of the
20 registrant.

21 Section 100. Investigation of complaints. The Secretary
22 may investigate any complaints and inquiries made concerning
23 this Act and any registrants or persons the Secretary believes
24 may be required to register under this Act. Each registrant or
25 person the Secretary believes may be required to register

1 under this Act shall open the registrant's or person's books,
2 records, documents, and offices wherever situated to the
3 Secretary as needed to facilitate the investigations.

4 Section 105. Additional investigation authority. In
5 addition to any authority allowed under this Act, the
6 Secretary may conduct investigations as follows:

7 (1) For purposes of initial registration, registration
8 renewal, registration suspension, registration
9 conditioning, registration probation, registration
10 revocation or termination, or general or specific inquiry
11 or investigation to determine compliance with this Act,
12 the Secretary may access, receive, and use any books,
13 accounts, records, files, documents, information, or
14 evidence, including, but not limited to, the following:

15 (A) criminal, civil, registration, and
16 administrative history information, including
17 nonconviction data as specified in the Criminal Code
18 of 2012; (B) personal history and experience
19 information, including independent credit reports
20 obtained from a consumer reporting agency described in
21 Section 603(p) of the federal Fair Credit Reporting
22 Act; and (C) any other documents, information, or
23 evidence the Secretary deems relevant to the inquiry
24 or investigation, regardless of the location,
25 possession, control, or custody of the documents,

1 information, or evidence.

2 (2) For the purposes of investigating violations or
3 complaints arising under this Act, the Secretary may
4 review or investigate any registrant or person subject to
5 this Act as necessary in order to carry out the purposes of
6 this Act. The Secretary may direct, subpoena, or order the
7 attendance of, and examine under oath all persons and
8 order any person to produce records, files, and any other
9 documents the Secretary deems relevant to an inquiry.

10 (3) Each person subject to this Act shall make
11 available to the Secretary upon request the books and
12 records relating to the operations of the person subject
13 to this Act. The Secretary shall have access to those
14 books and records and may interview the owners, officers,
15 principals, employees, independent contractors, agents,
16 vendors, and customers of any registrant or person subject
17 to this Act.

18 (4) In making any investigation authorized by this
19 Act, the Secretary may control access to any documents and
20 records of the registrant or person under investigation.
21 The Secretary may take possession of the documents and
22 records or otherwise take constructive control of the
23 documents. During the period of control, no person shall
24 remove or alter any of the documents or records, except
25 pursuant to a court order or with the consent of the
26 Secretary. Unless the Secretary has reasonable grounds to

1 believe the documents or records of the registrant or
2 person have been or are at risk of being altered or
3 destroyed for purposes of concealing a violation of this
4 Act, the registrant or person or owner of the documents
5 and records shall have access to the documents or records
6 as necessary to conduct its ordinary business affairs.

7 (5) In order to carry out the purposes of this
8 Section, the Secretary may:

9 (A) retain attorneys, accountants, or other
10 professionals and specialists as auditors or
11 investigators to conduct or assist in the conduct of
12 investigations;

13 (B) enter into agreements or relationships with
14 other government officials or regulatory associations
15 to protect consumers or financing recipients, improve
16 efficiencies, and reduce regulatory burden by sharing
17 resources, standardized or uniform methods or
18 procedures, and documents, records, information, or
19 evidence obtained under this Section;

20 (C) use, hire, contract, or employ publicly or
21 privately available analytical systems, methods, or
22 software to examine or investigate the registrant or
23 person subject to this Act;

24 (D) accept and rely on examination or
25 investigation reports made by other government
26 officials, within or outside this State; or

1 (E) accept audit reports made by an independent
2 certified public accountant for the person subject to
3 this Act and may incorporate the audit report in the
4 report of the investigation or other writing of the
5 Secretary.

6 (6) The authority of this Section shall remain in
7 effect, whether the person subject to this Act acts or
8 claims to act under any licensing or registration law of
9 this State or claims to act without the authority.

10 (7) No registrant or person subject to investigation
11 or under this Section may knowingly withhold, alter,
12 abstract, remove, mutilate, destroy, hide, or conceal any
13 books, records, computer records, or other information or
14 take actions designed to delay or complicate review of
15 records.

16 Section 110. Confidentiality. To promote more effective
17 regulation, protect consumers and financing recipients, and
18 reduce regulatory burden through inter-regulatory sharing of
19 confidential supervisory information:

20 (1) The privacy or confidentiality of any information
21 or material provided to the multistate licensing system,
22 including all privileges arising under federal or state
23 court rules and law, shall continue to apply to the
24 information or material after the information or material
25 has been disclosed to the multistate licensing system.

1 Information and material may be shared with the multistate
2 licensing system, federal and state regulatory officials
3 with relevant oversight authority, and law enforcement
4 without the loss of privilege or the loss of
5 confidentiality protections.

6 (2) The Secretary is authorized to enter into
7 agreements or sharing arrangements with other governmental
8 agencies, the Conference of State Bank Supervisors, and
9 other associations representing governmental agencies.

10 (3) Information or material that is privileged or
11 confidential under this Act as determined by the Secretary
12 is not subject to the following:

13 (A) disclosure under any State law governing the
14 disclosure to the public of information held by an
15 officer or an agency of the State; or

16 (B) subpoena, discovery, or admission into
17 evidence, in any private civil action or
18 administrative process except as authorized by the
19 Secretary.

20 (4) Any other law relating to the disclosure of
21 confidential supervisory information that is inconsistent
22 with this Act shall be superseded by the requirements of
23 this Section to the extent the other law provides less
24 confidentiality or a weaker privilege for information that
25 is privileged or confidential under this Act.

26 (5) Confidential or privileged information received

1 from the multistate licensing system, another licensing
2 body, federal and state regulatory officials, or law
3 enforcement shall be protected to the same extent as the
4 Secretary's confidential and privileged information is
5 protected under this Act. The Secretary may also protect
6 from disclosure confidential or privileged information
7 that would be exempt from disclosure to the extent it is
8 held directly by the multistate licensing system, another
9 licensing body, federal and state regulatory officials, or
10 law enforcement.

11 Section 115. Appeal and review.

12 (a) The Secretary may, in accordance with the Illinois
13 Administrative Procedure Act, adopt rules to provide for
14 review within the Department of the Department's decisions
15 affecting the rights of persons under this Act. The review
16 shall provide for, at a minimum:

17 (1) appointment of a hearing officer;

18 (2) appropriate procedural rules, specific deadlines
19 for filings, and standards of evidence and of proof; and

20 (3) provisions for apportioning costs among parties to
21 the appeal.

22 (b) All final agency determinations of appeals to
23 decisions of the Secretary may be reviewed in accordance with
24 and under the provisions of the Administrative Review Law.
25 Appeals from all final orders and judgments entered by a court

1 in review of any final administrative decision of the
2 Secretary or of any final agency review of a decision of the
3 Secretary may be taken as in other civil cases.

4 Section 120. Registration fees.

5 (a) The fee for initial registration is \$2,500. The fee is
6 nonrefundable.

7 (b) The fee for annual application renewal is \$2,500. The
8 fee is nonrefundable.

9 (c) The Department shall impose a contingent fee
10 sufficient to cover its operating expenses in administering
11 this Act not otherwise covered by all other revenue collected
12 under this Act. Each registrant shall pay to the Division its
13 pro rata share of the cost for administration of this Act that
14 exceeds other fees listed in this Section, as estimated by the
15 Division, for the current year and any deficit actually
16 incurred in the administration of this Act in prior years. The
17 Department may determine the calculation method for the pro
18 rata share of the contingent fee by rule.

19 Section 125. Cease and desist order.

20 (a) The Secretary may issue a cease and desist order to any
21 registrant or person doing business without the required
22 registration when, in the opinion of the Secretary, the
23 registrant or other person has violated, is violating, or is
24 about to violate any provision of this Act or any rule adopted

1 by the Department under this Act or any requirement imposed in
2 writing by the Department as a condition of granting any
3 authorization permitted by this Act. The cease and desist
4 order authorized by this Section may be issued prior to a
5 hearing.

6 (b) The Secretary shall serve notice of the cease and
7 desist order, either personally or by certified mail. Service
8 by certified mail shall be deemed completed when the notice is
9 deposited in the U.S. Mail. The Secretary's notice shall
10 include a statement of the reasons for the action.

11 (c) Within 10 days after service of the cease and desist
12 order, the person subject to the cease and desist order may
13 request a hearing in writing. The Secretary shall schedule a
14 preliminary hearing within 60 days after the request for a
15 hearing unless the parties agree to a later date.

16 (d) If it is determined that the Secretary had the
17 authority to issue the cease and desist order, the Secretary
18 may issue the orders as may be reasonably necessary to
19 correct, eliminate, deter, or remedy the conduct described in
20 the order and resulting harms.

21 (e) The powers vested in the Secretary by this Section are
22 additional to all other powers and remedies vested in the
23 Secretary by any law. Nothing in this Section shall be
24 construed as requiring that the Secretary shall employ the
25 power conferred in this Section instead of or as a condition
26 precedent to the exercise of any other power or remedy vested

1 in the Secretary.

2 Section 130. Injunctions. The Secretary may maintain an
3 action in the name of the people of this State and may apply
4 for an injunction in the circuit court to enjoin a person from
5 violating this Act or its implementing rules through the
6 Attorney General.

7 Section 135. Exemptions. This Act does not apply to, and
8 does not place any additional requirements or obligations
9 upon, any of the following:

- 10 (1) any person or entity that is not a provider;
- 11 (2) a commercial financing transaction secured by real
12 property;
- 13 (3) a lease as defined in Section 2A-103 of the
14 Uniform Commercial Code, not including finance leases as
15 defined in paragraph (g) of subsection (1) of Section
16 2A-103 of the Uniform Commercial Code; or
- 17 (4) a company primarily in the business of
18 manufacturing equipment, or any subsidiary or affiliate of
19 such a company, when offering a commercial financing
20 transaction for which the majority of the proceeds are
21 used to finance nonfinancial products manufactured by the
22 company, or any subsidiary or affiliate of such a company,
23 or the maintenance of or other services on such products;
- 24 (5) any person or provider who makes no more than 5

1 commercial financing transactions in this State in a
2 12-month period;

3 (6) a single, discrete commercial financing
4 transaction in an amount over \$500,000; or

5 (7) a commercial financing transaction in which the
6 recipient is a vehicle dealer subject to Section 5-101 or
7 5-102 of the Illinois Vehicle Code, an affiliate of a
8 dealer, a rental vehicle company as defined in Section 10
9 of the Renter's Financial Responsibility and Protection
10 Act, or an affiliate of a company under a commercial
11 financing agreement or commercial open-end credit plan of
12 at least \$50,000, including any commercial loan made under
13 a commercial financing transaction.

14 Section 140. Complaint disclosure. All commercial
15 financing shall include a clear and conspicuous notice on how
16 to file a complaint with the Department.

17 Section 145. Rules. The Secretary may adopt rules to enact
18 and enforce this Act, including, but not limited to:

19 (1) rules defining the terms used in this Act and as
20 may be necessary and appropriate to interpret and
21 implement the provisions of this Act;

22 (2) rules for the enforcement and administration of
23 this Act;

24 (3) rules for the protection of consumers and

1 financing recipients in this State;

2 (4) rules defining improper or fraudulent business
3 practices in connection with commercial financing; and

4 (5) rules to implement Section 165; and

5 (6) rules identifying the method of calculating the
6 annual percentage rate for each type of commercial
7 financing subject to this Act.

8 Section 150. Violations.

9 (a) Nothing in this Act shall be construed to restrict the
10 exercise of powers or the performance of the duties that the
11 Attorney General is authorized to exercise or perform by law.

12 (b) Any violation of this Act constitutes an unlawful
13 practice in violation of the Consumer Fraud and Deceptive
14 Business Practices Act. The Attorney General may enforce a
15 violation of this Act as an unlawful practice under the
16 Consumer Fraud and Deceptive Business Practices Act.

17 Section 152. Limitation on liability. No provision of this
18 Act imposes any liability on a provider as a result of the
19 actual annual percentage rate charged by a provider differing
20 from the estimated annual percentage rate disclosed in
21 conformity with any regulation, order, or written interpretive
22 opinion of the Secretary or any such opinion of the Attorney
23 General, whether or not such regulation, order, or written
24 interpretive opinion is later amended, rescinded, or repealed

1 or determined by judicial or other authority to be invalid for
2 any reason.

3 Section 155. Beginning of registration. No person shall be
4 required to register under this Act before the date
5 established by the Department by rule. The date shall not be
6 before January 1, 2027.

7 Section 160. Beginning of disclosure requirements. No
8 person shall be required to comply with the disclosure
9 requirements set forth in Sections 45, 50, 55, 60, 65, 70, and
10 165 before the date established by the Department by rule. The
11 date shall not be before January 1, 2027.

12 Section 165. Commercial financing database.

13 (a) A commercial financing database program is established
14 within the Department. The program shall be administered in
15 accordance with this Section. None of the duties, obligations,
16 contingencies, or consequences of or from the program shall be
17 imposed until 6 months after the Department certifies a
18 commercial financing database under subsection (b). The
19 program shall apply to sales-based financings and commercial
20 closed-end financings subject to this Act where interest
21 charges that accrue on the outstanding balance represent a
22 minority of the finance charge.

23 (b) The Department shall certify that a commercial

1 financing database is a commercially reasonable method of
2 reporting. Upon certifying that a commercial financing
3 database is a commercially reasonable method of reporting, the
4 Department shall provide reasonable notice to all registrants
5 identifying the commercially reasonable method of reporting
6 that is available.

7 (c) The database created under this program shall be
8 maintained and administered by the Department. The Department
9 may contract with vendors to create, maintain, and administer
10 the database created under this program. The database shall be
11 designed to allow providers to submit information to the
12 database online. The database shall not be designed to allow
13 providers to retrieve information from the database, except as
14 otherwise provided in this Act.

15 (d) Within 30 days after providing funds to a recipient,
16 the provider shall submit to the commercial financing database
17 the information delineated in subsections (e) and (f). If at
18 the time funds are provided to a recipient, certain
19 information delineated in this subsection is not known, then
20 the provider shall submit the information to the commercial
21 financing database within 30 days after the information
22 becoming ascertainable.

23 (e) For purposes of Section 165, "provider" shall mean any
24 person offering sales-based financings and commercial
25 closed-end financings subject to this Act where interest
26 charges that accrue on the outstanding balance represent a

1 minority of the finance charge.

2 (f) For sales-based financings, the provider shall submit
3 the following information to the commercial financing
4 database:

5 (1) the FEIN for the recipient;

6 (2) the zip code of the recipient;

7 (3) the date on which the disclosure required under
8 Section 45 was provided;

9 (4) the origination date of the sales-based financing;

10 (5) the total amount of commercial financing;

11 (6) the disbursed amount after any amount deducted or
12 withheld at disbursement, if different than the financing
13 amount;

14 (7) the finance charge;

15 (8) the estimated annual percentage rate as disclosed
16 to the recipient under paragraph (3) of Section 45;

17 (9) the total repayment amount;

18 (10) the estimated term, as disclosed to the recipient
19 under paragraph (5) of Section 45;

20 (11) the percentage of the recipient's sales upon
21 which the payment is calculated;

22 (12) the frequency of payment, and the total amount of
23 average projected payments per month, as disclosed to the
24 recipient under paragraph (6) of Section 45;

25 (13) whether the projected sales volume used to
26 determine the estimated annual percentage rate, estimated

1 term, and projected payments provided in the disclosure
2 under Section 45 were determined according to the
3 historical method described in subparagraph (A) of
4 paragraph (3) of Section 45 or according to the
5 underwriting method described in subparagraph (B) of
6 paragraph (3) of Section 45;

7 (14) the amount of any finance charge the recipient
8 would be required to pay if the recipient elects to pay off
9 or refinance the sales-based financing before full
10 repayment, as disclosed to the recipient;

11 (15) description of collateral, if any, securing the
12 sales-based financing, including any guarantee;

13 (16) the position of any lien taken;

14 (17) upon full repayment, if the sales-based financing
15 includes a true-up mechanism, the number of true-ups
16 provided;

17 (18) upon full repayment, the actual term of the
18 commercial financing;

19 (19) upon full repayment, the actual annual percentage
20 rate calculated retrospectively based on the actual
21 payments collected; and

22 (20) all other information requested by the
23 Department.

24 (g) For closed-end financing for which interest charges
25 that accrue on the outstanding balance represent a minority of
26 the finance charge submit, the following information to the

1 commercial financing database:

2 (1) the FEIN for the recipient;

3 (2) the zip code of the recipient;

4 (3) the date on which the disclosure required under
5 Section 50 was provided;

6 (4) the origination date;

7 (5) the total amount of commercial financing;

8 (6) the disbursed amount after any amount deducted or
9 withheld at disbursement, if different than the financing
10 amount;

11 (7) the finance charge;

12 (8) the annual percentage rate as disclosed to the
13 recipient under paragraph (3) of Section 50;

14 (9) the total repayment amount;

15 (10) the term of the financing;

16 (11) the frequency of payment;

17 (12) the amount of the payment, and the total amount
18 of average projected payments per month, as disclosed to
19 the recipient under paragraph (6) of Section 50;

20 (13) the amount of any finance charge the recipient
21 would be required to pay if the recipient elects to pay off
22 or refinance the commercial financing before full
23 repayment, other than interest accrued since the last
24 payment, as disclosed to the recipient;

25 (14) whether the recipient would be required to pay
26 any additional fees not already included in the finance

1 charge if the recipient elects to pay off or refinance the
2 commercial financing before full repayment, as disclosed
3 to the recipient;

4 (15) description of collateral, if any, securing the
5 commercial financing, including any guarantee;

6 (16) the position of any lien taken; and

7 (17) all other information requested by the
8 Department.

9 (h) All personally identifiable information and
10 information identifying the identity of a recipient obtained
11 by way of the commercial financing database is strictly
12 confidential and shall be exempt from disclosure under the
13 Freedom of Information Act and any other law or regulation
14 pertaining to the disclosure of information or documents. The
15 Department may, by rule, identify any additional categories of
16 information the disclosure of which would be contrary to the
17 public interest. Any request for production of information
18 from the commercial financing database, whether by subpoena,
19 notice, or any other source, shall be referred to the
20 Department. Any recipient may authorize in writing the release
21 of database information. The Department may use the
22 information in the database without the consent of the
23 recipient or the registrant:

24 (1) for the purposes of administering and enforcing
25 the program;

26 (2) to prepare industry-level reports;

1 (3) to provide information to the appropriate law
2 enforcement agency or the applicable administrative or
3 regulatory agency with a legitimate interest in the
4 information as determined by the Secretary;

5 (4) as required to comply with applicable law; or

6 (5) in any other manner that the Secretary deems is
7 not contrary to the public interest.

8 (i) A registrant who submits information to a certified
9 database provider in accordance with this Section shall not be
10 liable to any person for any subsequent release or disclosure
11 of that information by the certified database provider, the
12 Department, or any other person acquiring possession of the
13 information, regardless of whether the subsequent release or
14 disclosure was lawful, authorized, or intentional.

15 (j) In certifying a commercially reasonable method of
16 reporting, the Department shall ensure that the commercial
17 financing database:

18 (1) provides real-time access through an Internet
19 connection;

20 (2) is accessible to the Department and to registrants
21 in order to ensure compliance with this Act and in order to
22 provide any other information that the Department deems
23 necessary;

24 (3) requires registrants to input whatever information
25 is required by the Department;

26 (4) maintains a real-time copy of the required

1 reporting information that is available to the Department
2 at all times and is the property of the Department; and

3 (5) contains safeguards to ensure that all information
4 contained in the database regarding consumers and
5 financing recipients is kept strictly confidential.

6 (k) The certified commercial financing database may charge
7 a fee to a registrant not to exceed \$3 for each financing
8 entered into the database. The certified commercial financing
9 database shall not charge any additional fees or charges.

10 (l) The certified commercial financing database provider
11 shall produce an annual report for the Department using the
12 data submitted by registrants to the database. The Department
13 may publish this report to the public.

14 (m) The Department may modify any of the reporting
15 requirements in this Section by rule.

16 (n) The Department shall have the power to minimize or
17 eliminate the cost of procuring, administering, and
18 maintaining the commercial financing database by requiring the
19 certified database provider to bear start-up costs and by
20 enabling the database provider to charge providers a fee of no
21 more than \$3 per transaction. A transaction occurs when funds
22 are provided to a recipient. Nothing in this Act prohibits
23 providers from charging recipients the fees required under
24 this Section.

25 Section 170. Severability. The provisions of this Act are

1 severable under Section 1.31 of the Statute on Statutes.

2 Section 900. The Freedom of Information Act is amended by
3 changing Section 7.5 as follows:

4 (5 ILCS 140/7.5)

5 Sec. 7.5. Statutory exemptions. To the extent provided for
6 by the statutes referenced below, the following shall be
7 exempt from inspection and copying:

8 (a) All information determined to be confidential
9 under Section 4002 of the Technology Advancement and
10 Development Act.

11 (b) Library circulation and order records identifying
12 library users with specific materials under the Library
13 Records Confidentiality Act.

14 (c) Applications, related documents, and medical
15 records received by the Experimental Organ Transplantation
16 Procedures Board and any and all documents or other
17 records prepared by the Experimental Organ Transplantation
18 Procedures Board or its staff relating to applications it
19 has received.

20 (d) Information and records held by the Department of
21 Public Health and its authorized representatives relating
22 to known or suspected cases of sexually transmitted
23 infection or any information the disclosure of which is
24 restricted under the Illinois Sexually Transmitted

1 Infection Control Act.

2 (e) Information the disclosure of which is exempted
3 under Section 30 of the Radon Industry Licensing Act.

4 (f) Firm performance evaluations under Section 55 of
5 the Architectural, Engineering, and Land Surveying
6 Qualifications Based Selection Act.

7 (g) Information the disclosure of which is restricted
8 and exempted under Section 50 of the Illinois Prepaid
9 Tuition Act.

10 (h) Information the disclosure of which is exempted
11 under the State Officials and Employees Ethics Act, and
12 records of any lawfully created State or local inspector
13 general's office that would be exempt if created or
14 obtained by an Executive Inspector General's office under
15 that Act.

16 (i) Information contained in a local emergency energy
17 plan submitted to a municipality in accordance with a
18 local emergency energy plan ordinance that is adopted
19 under Section 11-21.5-5 of the Illinois Municipal Code.

20 (j) Information and data concerning the distribution
21 of surcharge moneys collected and remitted by carriers
22 under the Emergency Telephone System Act.

23 (k) Law enforcement officer identification information
24 or driver identification information compiled by a law
25 enforcement agency or the Department of Transportation
26 under Section 11-212 of the Illinois Vehicle Code.

1 (l) Records and information provided to a residential
2 health care facility resident sexual assault and death
3 review team or the Executive Council under the Abuse
4 Prevention Review Team Act.

5 (m) Information provided to the predatory lending
6 database created pursuant to Article 3 of the Residential
7 Real Property Disclosure Act, except to the extent
8 authorized under that Article.

9 (n) Defense budgets and petitions for certification of
10 compensation and expenses for court appointed trial
11 counsel as provided under Sections 10 and 15 of the
12 Capital Crimes Litigation Act (repealed). This subsection
13 (n) shall apply until the conclusion of the trial of the
14 case, even if the prosecution chooses not to pursue the
15 death penalty prior to trial or sentencing.

16 (o) Information that is prohibited from being
17 disclosed under Section 4 of the Illinois Health and
18 Hazardous Substances Registry Act.

19 (p) Security portions of system safety program plans,
20 investigation reports, surveys, schedules, lists, data, or
21 information compiled, collected, or prepared by or for the
22 Department of Transportation under Sections 2705-300 and
23 2705-616 of the Department of Transportation Law of the
24 Civil Administrative Code of Illinois, the Regional
25 Transportation Authority under Section 2.11 of the
26 Regional Transportation Authority Act, or the St. Clair

1 County Transit District under the Bi-State Transit Safety
2 Act (repealed).

3 (q) Information prohibited from being disclosed by the
4 Personnel Record Review Act.

5 (r) Information prohibited from being disclosed by the
6 Illinois School Student Records Act.

7 (s) Information the disclosure of which is restricted
8 under Section 5-108 of the Public Utilities Act.

9 (t) (Blank).

10 (u) Records and information provided to an independent
11 team of experts under the Developmental Disability and
12 Mental Health Safety Act (also known as Brian's Law).

13 (v) Names and information of people who have applied
14 for or received Firearm Owner's Identification Cards under
15 the Firearm Owners Identification Card Act or applied for
16 or received a concealed carry license under the Firearm
17 Concealed Carry Act, unless otherwise authorized by the
18 Firearm Concealed Carry Act; and databases under the
19 Firearm Concealed Carry Act, records of the Concealed
20 Carry Licensing Review Board under the Firearm Concealed
21 Carry Act, and law enforcement agency objections under the
22 Firearm Concealed Carry Act.

23 (v-5) Records of the Firearm Owner's Identification
24 Card Review Board that are exempted from disclosure under
25 Section 10 of the Firearm Owners Identification Card Act.

26 (w) Personally identifiable information which is

1 exempted from disclosure under subsection (g) of Section
2 19.1 of the Toll Highway Act.

3 (x) Information which is exempted from disclosure
4 under Section 5-1014.3 of the Counties Code or Section
5 8-11-21 of the Illinois Municipal Code.

6 (y) Confidential information under the Adult
7 Protective Services Act and its predecessor enabling
8 statute, the Elder Abuse and Neglect Act, including
9 information about the identity and administrative finding
10 against any caregiver of a verified and substantiated
11 decision of abuse, neglect, or financial exploitation of
12 an eligible adult maintained in the Registry established
13 under Section 7.5 of the Adult Protective Services Act.

14 (z) Records and information provided to a fatality
15 review team or the Illinois Fatality Review Team Advisory
16 Council under Section 15 of the Adult Protective Services
17 Act.

18 (aa) Information which is exempted from disclosure
19 under Section 2.37 of the Wildlife Code.

20 (bb) Information which is or was prohibited from
21 disclosure by the Juvenile Court Act of 1987.

22 (cc) Recordings made under the Law Enforcement
23 Officer-Worn Body Camera Act, except to the extent
24 authorized under that Act.

25 (dd) Information that is prohibited from being
26 disclosed under Section 45 of the Condominium and Common

1 Interest Community Ombudsperson Act.

2 (ee) Information that is exempted from disclosure
3 under Section 30.1 of the Pharmacy Practice Act.

4 (ff) Information that is exempted from disclosure
5 under the Revised Uniform Unclaimed Property Act.

6 (gg) Information that is prohibited from being
7 disclosed under Section 7-603.5 of the Illinois Vehicle
8 Code.

9 (hh) Records that are exempt from disclosure under
10 Section 1A-16.7 of the Election Code.

11 (ii) Information which is exempted from disclosure
12 under Section 2505-800 of the Department of Revenue Law of
13 the Civil Administrative Code of Illinois.

14 (jj) Information and reports that are required to be
15 submitted to the Department of Labor by registering day
16 and temporary labor service agencies but are exempt from
17 disclosure under subsection (a-1) of Section 45 of the Day
18 and Temporary Labor Services Act.

19 (kk) Information prohibited from disclosure under the
20 Seizure and Forfeiture Reporting Act.

21 (ll) Information the disclosure of which is restricted
22 and exempted under Section 5-30.8 of the Illinois Public
23 Aid Code.

24 (mm) Records that are exempt from disclosure under
25 Section 4.2 of the Crime Victims Compensation Act.

26 (nn) Information that is exempt from disclosure under

1 Section 70 of the Higher Education Student Assistance Act.

2 (oo) Communications, notes, records, and reports
3 arising out of a peer support counseling session
4 prohibited from disclosure under the First Responders
5 Suicide Prevention Act.

6 (pp) Names and all identifying information relating to
7 an employee of an emergency services provider or law
8 enforcement agency under the First Responders Suicide
9 Prevention Act.

10 (qq) Information and records held by the Department of
11 Public Health and its authorized representatives collected
12 under the Reproductive Health Act.

13 (rr) Information that is exempt from disclosure under
14 the Cannabis Regulation and Tax Act.

15 (ss) Data reported by an employer to the Department of
16 Human Rights pursuant to Section 2-108 of the Illinois
17 Human Rights Act.

18 (tt) Recordings made under the Children's Advocacy
19 Center Act, except to the extent authorized under that
20 Act.

21 (uu) Information that is exempt from disclosure under
22 Section 50 of the Sexual Assault Evidence Submission Act.

23 (vv) Information that is exempt from disclosure under
24 subsections (f) and (j) of Section 5-36 of the Illinois
25 Public Aid Code.

26 (ww) Information that is exempt from disclosure under

1 Section 16.8 of the State Treasurer Act.

2 (xx) Information that is exempt from disclosure or
3 information that shall not be made public under the
4 Illinois Insurance Code.

5 (yy) Information prohibited from being disclosed under
6 the Illinois Educational Labor Relations Act.

7 (zz) Information prohibited from being disclosed under
8 the Illinois Public Labor Relations Act.

9 (aaa) Information prohibited from being disclosed
10 under Section 1-167 of the Illinois Pension Code.

11 (bbb) Information that is prohibited from disclosure
12 by the Illinois Police Training Act and the Illinois State
13 Police Act.

14 (ccc) Records exempt from disclosure under Section
15 2605-304 of the Illinois State Police Law of the Civil
16 Administrative Code of Illinois.

17 (ddd) Information prohibited from being disclosed
18 under Section 35 of the Address Confidentiality for
19 Victims of Domestic Violence, Sexual Assault, Human
20 Trafficking, or Stalking Act.

21 (eee) Information prohibited from being disclosed
22 under subsection (b) of Section 75 of the Domestic
23 Violence Fatality Review Act.

24 (fff) Images from cameras under the Expressway Camera
25 Act. This subsection (fff) is inoperative on and after
26 July 1, 2025.

1 (ggg) Information prohibited from disclosure under
2 paragraph (3) of subsection (a) of Section 14 of the Nurse
3 Agency Licensing Act.

4 (hhh) Information submitted to the Illinois State
5 Police in an affidavit or application for an assault
6 weapon endorsement, assault weapon attachment endorsement,
7 .50 caliber rifle endorsement, or .50 caliber cartridge
8 endorsement under the Firearm Owners Identification Card
9 Act.

10 (iii) Data exempt from disclosure under Section 50 of
11 the School Safety Drill Act.

12 (jjj) Information exempt from disclosure under Section
13 30 of the Insurance Data Security Law.

14 (kkk) Confidential business information prohibited
15 from disclosure under Section 45 of the Paint Stewardship
16 Act.

17 (lll) Data exempt from disclosure under Section
18 2-3.196 of the School Code.

19 (mmm) Information prohibited from being disclosed
20 under subsection (e) of Section 1-129 of the Illinois
21 Power Agency Act.

22 (nnn) Materials received by the Department of Commerce
23 and Economic Opportunity that are confidential under the
24 Music and Musicians Tax Credit and Jobs Act.

25 (ooo) Data or information provided pursuant to Section
26 20 of the Statewide Recycling Needs and Assessment Act.

1 (ppp) Information that is exempt from disclosure under
2 Section 28-11 of the Lawful Health Care Activity Act.

3 (qqq) Information that is exempt from disclosure under
4 Section 7-101 of the Illinois Human Rights Act.

5 (rrr) Information prohibited from being disclosed
6 under Section 4-2 of the Uniform Money Transmission
7 Modernization Act.

8 (sss) Information exempt from disclosure under Section
9 40 of the Student-Athlete Endorsement Rights Act.

10 (ttt) Audio recordings made under Section 30 of the
11 Illinois State Police Act, except to the extent authorized
12 under that Section.

13 (uuu) Information exempt from disclosure pursuant to
14 the Small Business Financing Transparency Act or its
15 implementing rules.

16 (Source: P.A. 102-36, eff. 6-25-21; 102-237, eff. 1-1-22;
17 102-292, eff. 1-1-22; 102-520, eff. 8-20-21; 102-559, eff.
18 8-20-21; 102-813, eff. 5-13-22; 102-946, eff. 7-1-22;
19 102-1042, eff. 6-3-22; 102-1116, eff. 1-10-23; 103-8, eff.
20 6-7-23; 103-34, eff. 6-9-23; 103-142, eff. 1-1-24; 103-372,
21 eff. 1-1-24; 103-472, eff. 8-1-24; 103-508, eff. 8-4-23;
22 103-580, eff. 12-8-23; 103-592, eff. 6-7-24; 103-605, eff.
23 7-1-24; 103-636, eff. 7-1-24; 103-724, eff. 1-1-25; 103-786,
24 eff. 8-7-24; 103-859, eff. 8-9-24; 103-991, eff. 8-9-24;
25 103-1049, eff. 8-9-24; 103-1081, eff. 3-21-25.)

1 Section 905. The Consumer Fraud and Deceptive Business
2 Practices Act is amended by adding Section 2HHHH as follows:

3 (815 ILCS 505/2HHHH new)

4 Sec. 2HHHH. Violations of the Small Business Financing
5 Transparency Act. Any person who violates the Small Business
6 Financing Transparency Act commits an unlawful practice within
7 the meaning of this Act.

8 Section 999. Effective date. This Act takes effect upon
9 becoming law.".