

HB3517



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB3517

Introduced 2/17/2023, by Rep. Nabeela Syed

SYNOPSIS AS INTRODUCED:

205 ILCS 5/32.2 new

Amends the Illinois Banking Act. Provides that no financial institution shall make a loan or extension of credit to a small business that contains a confession of judgment clause.

LRB103 27624 SPS 54000 b

A BILL FOR

1 AN ACT concerning regulation.

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

4 Section 5. The Illinois Banking Act is amended by adding
5 Section 32.2 as follows:

6 (205 ILCS 5/32.2 new)

7 Sec. 32.2. Loans to small businesses; confessions of
8 judgment prohibited. No financial institution shall make a
9 loan or extension of credit to a small business that contains a
10 confession of judgment clause. As used in this Section, "small
11 business" means a corporation or a concern, including its
12 affiliates, that is independently owned and operated, not
13 dominant in its field, and employs fewer than 50 full-time
14 employees or has gross annual sales of less than \$4,000,000.