



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

SB3412

Introduced 2/8/2024, by Sen. Cristina Castro

SYNOPSIS AS INTRODUCED:

New Act
5 ILCS 140/7.5
30 ILCS 105/5.1015 new
205 ILCS 657/Act rep.

Creates the Uniform Money Transmission Modernization Act. Provides that the provisions supersede the Transmitters of Money Act. Provides that a person may not engage in the business of money transmission or advertise, solicit, or hold oneself out as providing money transmission unless the person is licensed under the Act. Sets forth provisions concerning the purpose of the Act; definitions; money transmission licenses; license application; license renewal; acquisition of control and change of key individuals; reporting and records; authorized delegates of a licensee; timely transmission, refunds, and disclosures; confidentiality of records; required reports; prudential standards; and enforcement. Makes conforming changes in the Freedom of Information Act and the State Finance Act. Provides that the Transmitters of Money Act is repealed on January 1, 2026. Makes other changes. Effective immediately, except that the changes to the Transmitters of Money Act take effect January 1, 2026.

LRB103 35570 RPS 65642 b

1 AN ACT concerning regulation.

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

4 ARTICLE I. Title & Purpose

5 Section 1-1. Short title. This Act may be cited as the
6 Uniform Money Transmission Modernization Act.

7 Section 1-2. Purpose.

8 (a) This Act is designed to replace existing State money
9 transmission laws currently codified under the Transmitters of
10 Money Act. It is the intent of the General Assembly that the
11 provisions of this Act accomplish the following:

12 (1) ensure states can coordinate in all areas of
13 regulation, licensing, and supervision to eliminate
14 unnecessary regulatory burden and more effectively use
15 regulator resources;

16 (2) protect the public from financial crime;

17 (3) standardize the types of activities that are
18 subject to licensing or otherwise exempt from licensing;
19 and

20 (4) modernize safety and soundness requirements to
21 ensure customer funds are protected in an environment that
22 supports innovative and competitive business practices.

1 (b) The provisions of this Act shall be liberally
2 construed to effectuate its purposes.

3 ARTICLE II. Definitions

4 Section 2-1. Definitions. As used in this Act:

5 "Acting in concert" means persons knowingly acting
6 together with a common goal of jointly acquiring control of a
7 licensee whether or not pursuant to an express agreement.

8 "Authorized delegate" means a person a licensee designates
9 to engage in money transmission on behalf of the licensee.

10 "Average daily money transmission liability" means the
11 amount of the licensee's outstanding money transmission
12 obligations in this State at the end of each day in a given
13 period of time, added together, and divided by the total
14 number of days in the given period of time. For purposes of
15 calculating average daily money transmission liability under
16 this Act for any licensee required to do so, the given period
17 of time shall be the quarters ending March 31, June 30,
18 September 30, and December 31.

19 "Bank Secrecy Act" means the Bank Secrecy Act, 31 U.S.C.
20 5311, et seq. and its implementing rules and regulations, as
21 amended and recodified from time to time.

22 "Bill payment service" means the business of transmitting
23 money on behalf of an Illinois person for the purposes of
24 paying the person's bills.

1 "Closed loop stored value" means stored value that is
2 redeemable by the issuer only for goods or services provided
3 by the issuer or its affiliate or franchisees of the issuer or
4 its affiliate, except to the extent required by applicable law
5 to be redeemable in cash for its cash value.

6 "Control" means:

7 (1) (A) the power to vote, directly or indirectly, at
8 least 25% of the outstanding voting shares or voting
9 interests of a licensee or person in control of a
10 licensee;

11 (B) the power to elect or appoint a majority of key
12 individuals or executive officers, managers,
13 directors, trustees, or other persons exercising
14 managerial authority of a person in control of a
15 licensee; or

16 (C) the power to exercise, directly or indirectly,
17 a controlling influence over the management or
18 policies of a licensee or person in control of a
19 licensee.

20 (2) Rebuttable Presumption of Control.

21 (A) A person is presumed to exercise a controlling
22 influence when the person holds the power to vote,
23 directly or indirectly, at least 10% of the
24 outstanding voting shares or voting interests of a
25 licensee or person in control of a licensee.

26 (B) A person presumed to exercise a controlling

1 influence as defined by this Section can rebut the
2 presumption of control if the person is a passive
3 investor.

4 (3) For purposes of determining the percentage of a
5 person controlled by any other person, the person's
6 interest shall be aggregated with the interest of any
7 other immediate family member, including the person's
8 spouse, parents, children, siblings, mothers-in-law and
9 fathers-in-law, sons-in-law and daughters-in-law,
10 brothers-in-law and sisters-in-law, and any other person
11 who shares such person's home.

12 "Department" means the Department of Financial and
13 Professional Regulation.

14 "Division" means the Division of Financial Institutions of
15 the Department of Financial and Professional Regulation.

16 "Eligible rating" means a credit rating of any of the 3
17 highest rating categories provided by an eligible rating
18 service, whereby each category may include rating category
19 modifiers such as "plus" or "minus" for S&P, or the equivalent
20 for any other eligible rating service. For purposes of this
21 definition, long-term credit ratings are deemed eligible if
22 the rating is equal to "A-" or higher by S&P, or the equivalent
23 from any other eligible rating service; short-term credit
24 ratings are deemed eligible if the rating is equal to or higher
25 than "A-2" or "SP-2" by S&P, or the equivalent from any other
26 eligible rating service; if ratings differ among eligible

1 rating services, the highest rating shall apply when
2 determining whether a security bears an eligible rating.

3 "Eligible rating service" means any nationally recognized
4 statistical rating organization as defined by the U.S.
5 Securities and Exchange Commission, and any other organization
6 designated by the Secretary by rule or order.

7 "Federally insured depository financial institution" means
8 a bank, credit union, savings and loan association, trust
9 company, savings association, savings bank, industrial bank,
10 or industrial loan company organized under the laws of the
11 United States or any state of the United States, if the bank,
12 credit union, savings and loan association, trust company,
13 savings association, savings bank, industrial bank, or
14 industrial loan company has federally insured deposits.

15 "In this State" means at a physical location within this
16 State for a transaction requested in person. For a transaction
17 requested electronically or by phone, the provider of money
18 transmission may determine if the person requesting the
19 transaction is in this State by relying on other information
20 provided by the person regarding the location of the
21 individual's residential address or a business entity's
22 principal place of business or other physical address
23 location, and any records associated with the person that the
24 provider of money transmission may have that indicate such
25 location, including, but not limited to, an address associated
26 with an account.

1 "Individual" means a natural person.

2 "Key individual" means any individual ultimately
3 responsible for establishing or directing policies and
4 procedures of the licensee, such as an executive officer,
5 manager, director, or trustee.

6 "Licensee" means a person licensed under this Act.

7 "Material litigation" means litigation, that according to
8 United States generally accepted accounting principles, is
9 significant to a person's financial health and would be
10 required to be disclosed in the person's annual audited
11 financial statements, report to shareholders, or similar
12 records.

13 "Money" means a medium of exchange that is authorized or
14 adopted by the United States or a foreign government as part of
15 its currency and that is customarily used and accepted as a
16 medium of exchange in the country of issuance. "Money"
17 includes a monetary unit of account established by an
18 intergovernmental organization or by agreement between 2 or
19 more governments.

20 "Monetary value" means a medium of exchange, whether or
21 not redeemable in money unless excluded by rule by the
22 Secretary.

23 "Money transmission" means any of the following:

24 (1) Selling or issuing payment instruments to a person
25 located in this State.

26 (2) Selling or issuing stored value to a person

1 located in this State.

2 (3) Receiving money for transmission from a person
3 located in this State or transmitting money in this State.

4 "Money transmission" includes bill payment services and
5 payroll processing services. "Money transmission" does not
6 include the provision solely of online or telecommunications
7 services or network access.

8 "MSB accredited state agency" means a state agency that is
9 accredited by the Conference of State Bank Supervisors and
10 Money Transmitter Regulators Association for money
11 transmission licensing and supervision.

12 "Multistate licensing process" means any agreement entered
13 into by and among state regulators relating to coordinated
14 processing of applications for money transmission licenses,
15 applications for the acquisition of control of a licensee,
16 control determinations, or notice and information requirements
17 for a change of key individuals.

18 "NMLS" means the Nationwide Multistate Licensing System
19 and Registry developed by the Conference of State Bank
20 Supervisors and the American Association of Residential
21 Mortgage Regulators and owned and operated by the State
22 Regulatory Registry, LLC, or any successor or affiliated
23 entity, for the licensing and registration of persons in
24 financial services industries.

25 "Outstanding money transmission obligations" means any of
26 the following:

1 (1) Any payment instrument or stored value issued or
2 sold by the licensee to a person located in the United
3 States or reported as sold by an authorized delegate of
4 the licensee to a person that is located in the United
5 States that has not yet been paid or refunded by or for the
6 licensee or escheated in accordance with applicable
7 abandoned property laws; or

8 (2) Any money received for transmission by the
9 licensee or an authorized delegate in the United States
10 from a person located in the United States that has not
11 been received by the payee, refunded to the sender, or
12 escheated in accordance with applicable abandoned property
13 laws.

14 For purposes of this definition, "in the United States"
15 includes, to the extent applicable, a person in any state,
16 territory, or possession of the United States; the District of
17 Columbia; the Commonwealth of Puerto Rico; or a U.S. military
18 installation that is located in a foreign country.

19 "Passive investor" means a person that:

20 (1) does not have the power to elect a majority of key
21 individuals or executive officers, managers, directors,
22 trustees, or other persons exercising managerial authority
23 of a person in control of a licensee;

24 (2) is not employed by and does not have any
25 managerial duties of the licensee or person in control of
26 a licensee;

1 (3) does not have the power to exercise, directly or
2 indirectly, a controlling influence over the management or
3 policies of a licensee or person in control of a licensee;
4 and

5 (4) either:

6 (A) attests to items (1), (2), and (3), in a form
7 and in a medium prescribed by the Secretary; or

8 (B) commits to the passivity characteristics of
9 items (1), (2), and (3), in a written document.

10 "Payment instrument" means a written or electronic check,
11 draft, money order, traveler's check, or other written or
12 electronic instrument for the transmission or payment of money
13 or monetary value, whether or not negotiable. "Payment
14 instrument" does not include stored value or any instrument
15 that (1) is redeemable by the issuer only for goods or services
16 provided by the issuer or its affiliate or franchisees of the
17 issuer or its affiliate, except to the extent required by
18 applicable law to be redeemable in cash for its cash value; or
19 (2) not sold to the public but issued and distributed as part
20 of a loyalty, rewards, or promotional program.

21 "Payroll processing services" means receiving money for
22 transmission pursuant to a contract with a person to deliver
23 wages or salaries, make payment of payroll taxes to State and
24 federal agencies, make payments relating to employee benefit
25 plans, or make distributions of other authorized deductions
26 from wages or salaries. "Payroll processing services" does not

1 include an employer performing payroll processing services on
2 its own behalf or on behalf of its affiliate.

3 "Person" means any individual, general partnership,
4 limited partnership, limited liability company, corporation,
5 trust, association, joint stock corporation, or other
6 corporate entity identified by the Secretary.

7 "Receiving money for transmission" or "money received for
8 transmission" means receiving money or monetary value in the
9 United States for transmission within or outside the United
10 States by electronic or other means.

11 "Secretary" means the Secretary of Financial and
12 Professional Regulation, the acting Secretary, or a person
13 authorized by the Secretary.

14 "Stored value" means monetary value representing a claim
15 against the issuer evidenced by an electronic or digital
16 record, and that is intended and accepted for use as a means of
17 redemption for money or monetary value, or payment for goods
18 or services. "Stored value" includes, but is not limited to,
19 "prepaid access" as defined by 31 CFR Section 1010.100, as
20 amended or recodified from time to time. Notwithstanding the
21 foregoing, "stored value" does not include a payment
22 instrument or closed loop stored value, or stored value not
23 sold to the public but issued and distributed as part of a
24 loyalty, rewards, or promotional program.

25 "Tangible net worth" means the aggregate assets of a
26 licensee excluding all intangible assets, less liabilities, as

1 determined in accordance with United States generally accepted
2 accounting principles.

3 ARTICLE III. Exemptions

4 Section 3-1. Exemptions. This Act does not apply to:

5 (1) An operator of a payment system to the extent that it
6 provides processing, clearing, or settlement services, between
7 or among persons exempted by this Section or licensees, in
8 connection with wire transfers, credit card transactions,
9 debit card transactions, stored value transactions, automated
10 clearinghouse transfers, or similar funds transfers.

11 (2) A person appointed as an agent of a payee to collect
12 and process a payment from a payor to the payee for goods or
13 services, other than money transmission itself, provided to
14 the payor by the payee, if:

15 (A) there exists a written agreement between the payee
16 and the agent directing the agent to collect and process
17 payments from payors on the payee's behalf;

18 (B) the payee holds the agent out to the public as
19 accepting payments for goods or services on the payee's
20 behalf; and

21 (C) payment for the goods and services is treated as
22 received by the payee upon receipt by the agent so that the
23 payor's obligation is extinguished and there is no risk of
24 loss to the payor if the agent fails to remit the funds to

1 the payee.

2 (3) A person that acts as an intermediary by processing
3 payments between an entity that has directly incurred an
4 outstanding money transmission obligation to a sender, and the
5 sender's designated recipient, if the entity:

6 (A) is properly licensed or exempt from licensing
7 requirements under this Act;

8 (B) provides a receipt, electronic record, or other
9 written confirmation to the sender identifying the entity
10 as the provider of money transmission in the transaction;
11 and

12 (C) bears sole responsibility to satisfy the
13 outstanding money transmission obligation to the sender,
14 including the obligation to make the sender whole in
15 connection with any failure to transmit the funds to the
16 sender's designated recipient.

17 (4) The United States or a department, agency, or
18 instrumentality thereof, or its agent.

19 (5) Money transmission by the United States Postal Service
20 or by an agent of the United States Postal Service.

21 (6) A State, county, city, or any other governmental
22 agency or governmental subdivision or instrumentality of a
23 State, or its agent.

24 (7) A federally insured depository financial institution,
25 bank holding company, office of an international banking
26 corporation, foreign bank that establishes a federal branch

1 pursuant to the International Bank Act, 12 U.S.C. 3102, as
2 amended or recodified from time to time, corporation organized
3 pursuant to the Bank Service Corporation Act, 12 U.S.C.
4 Sections 1861 through 1867, as amended or recodified from time
5 to time, or corporation organized under the Edge Act, 12
6 U.S.C. Sections 611 through 633, as amended or recodified from
7 time to time, under the laws of a state or the United States.

8 (8) Electronic funds transfer of governmental benefits for
9 a federal, State, county, or governmental agency by a
10 contractor on behalf of the United States or a department,
11 agency, or instrumentality thereof, or on behalf of a State or
12 governmental subdivision, agency, or instrumentality thereof.

13 (9) A board of trade designated as a contract market under
14 the federal Commodity Exchange Act, 7 U.S.C. Sections 1
15 through 25, as amended or recodified from time to time, or a
16 person that, in the ordinary course of business, provides
17 clearance and settlement services for a board of trade to the
18 extent of its operation as or for such a board.

19 (10) A registered futures commission merchant under the
20 federal commodities laws to the extent of its operation as
21 such a merchant.

22 (11) A person registered as a securities broker-dealer
23 under federal or State securities laws to the extent of its
24 operation as such a broker-dealer.

25 (12) An individual employed by a licensee, authorized
26 delegate, or any person exempted from the licensing

1 requirements of the Act when acting within the scope of
2 employment and under the supervision of the licensee,
3 authorized delegate, or exempted person as an employee and not
4 as an independent contractor.

5 (13) A person expressly appointed as a third-party service
6 provider to or agent of an entity exempt under paragraph (7),
7 solely to the extent that:

8 (A) such service provider or agent is engaging in
9 money transmission on behalf of and pursuant to a written
10 agreement with the exempt entity that sets forth the
11 specific functions that the service provider or agent is
12 to perform; and

13 (B) the exempt entity assumes all risk of loss and all
14 legal responsibility for satisfying the outstanding money
15 transmission obligations owed to purchasers and holders of
16 the outstanding money transmission obligations upon
17 receipt of the purchaser's or holder's money or monetary
18 value by the service provider or agent.

19 (14) Any other person, transaction, or class of persons or
20 transactions exempted by rule or any other person or
21 transaction exempted by the Secretary's order on a finding
22 that the licensing of the person is not necessary to achieve
23 the purposes of this Act.

24 (15) Currency exchanges licensed under the Currency
25 Exchange Act to the extent of its operation as such a currency
26 exchange.

1 efficiencies and reduce regulatory burden by standardizing
2 methods or procedures, and sharing resources, records or
3 related information obtained under this Act;

4 (2) use, hire, contract, or employ analytical systems,
5 methods, or software to examine or investigate any person
6 subject to this Act.

7 (3) accept, from other state or federal government
8 agencies or officials, licensing, examination, or
9 investigation reports made by such other state or federal
10 government agencies or officials; and

11 (4) accept audit reports made by an independent
12 certified public accountant or other qualified third-party
13 auditor for an applicant or licensee and incorporate the
14 audit report in any report of examination or
15 investigation.

16 (b) The Department shall have the broad administrative
17 authority to administer, interpret and enforce this Act, and
18 adopt rules or regulations implementing this Act and to
19 recover the cost of administering and enforcing this Act by
20 imposing and collecting proportionate and equitable fees and
21 costs associated with applications, examinations,
22 investigations, and other actions required to achieve the
23 purpose of this Act. The Department's rulemaking authority
24 shall include, but not be limited to:

25 (1) such rules and regulations in connection with the
26 activities of licensees as may be necessary and

- 1 appropriate for the protection of consumers in this State;
- 2 (2) such rules and regulations as may be necessary and
- 3 appropriate to define improper or fraudulent business
- 4 practices in connection with the activities of licensees;
- 5 (3) such rules and regulations as may define the terms
- 6 used in this Act and as may be necessary and appropriate to
- 7 interpret and implement the provisions of this Act;
- 8 (4) such rules and regulations as may be necessary for
- 9 the implementation or enforcement of this Act; and
- 10 (5) such rules and regulations establishing fees the
- 11 Secretary deems necessary to cover the cost of
- 12 administration of this Act.

13 Section 4-2. Confidentiality.

14 (a) Except as otherwise provided in this Section, all

15 information or reports obtained by the Secretary from an

16 applicant, licensee, or authorized delegate, and all

17 information contained in or related to an examination,

18 investigation, operating report, or condition report prepared

19 by, on behalf of, or for the use of the Secretary, or financial

20 statements, balance sheets, or authorized delegate

21 information, are confidential and are not subject to

22 disclosure under the Freedom of Information Act.

23 (b) The Secretary may disclose information not otherwise

24 subject to disclosure under subsection (a) to representatives

25 of State or federal agencies who promise in a record that they

1 will maintain the confidentiality of the information or where
2 the Secretary finds that the release is reasonably necessary
3 for the protection and interest of the public.

4 (c) This Section does not prohibit the Secretary from
5 disclosing to the public a list of all licensees or the
6 aggregated financial or transactional data concerning those
7 licensees.

8 (d) Information contained in the records of the Department
9 that is not confidential and may be made available to the
10 public either on the Department's website, upon receipt by the
11 Department of a written request, or in NMLS shall include:

12 (1) the name, business address, telephone number, and
13 unique identifier of a licensee;

14 (2) the business address of a licensee's registered
15 agent for service;

16 (3) the name, business address, and telephone number
17 of all authorized delegates;

18 (4) the terms of or a copy of any bond filed by a
19 licensee, if confidential information, including, but not
20 limited to, prices and fees, for such bond is redacted;

21 (5) copies of any final orders of the Department
22 relating to any violation of this Act or regulations
23 implementing this Act; and

24 (e) Imposition of an administrative action under this Act
25 is not confidential.

26 (f) The Secretary, in his or her sole discretion, may

1 disclose otherwise confidential information when he or she
2 determines disclosure is in the public interest.

3 Section 4-3. Supervision.

4 (a) The Secretary may conduct an examination or
5 investigation of a licensee or authorized delegate or
6 otherwise take independent action authorized by this Act or by
7 a rule adopted or order issued under this Act as reasonably
8 necessary or appropriate to administer and enforce this Act,
9 rules and regulations implementing this Act, and other
10 applicable law, including the Bank Secrecy Act and the USA
11 PATRIOT ACT. The Secretary may:

12 (1) conduct an examination either on-site or off-site
13 as the Secretary may reasonably require;

14 (2) conduct an examination in conjunction with an
15 examination conducted by representatives of other state
16 agencies or agencies of another state or of the federal
17 government;

18 (3) accept the examination report of another state
19 agency or an agency of another state or of the federal
20 government, or a report prepared by an independent
21 accounting firm, which on being accepted is considered for
22 all purposes as an official report of the Secretary; and

23 (4) summon and examine under oath a key individual or
24 employee of a licensee or authorized delegate and require
25 the person to produce records regarding any matter related

1 to the condition and business of the licensee or
2 authorized delegate.

3 (b) A licensee or authorized delegate shall provide, and
4 the Secretary shall have full and complete access to, all
5 records the Secretary may reasonably require to conduct a
6 complete examination. The records must be provided at the
7 location and in the format specified by the Secretary,
8 however, the Secretary may use multistate record production
9 standards and examination procedures when such standards will
10 reasonably achieve the requirements of this subsection.

11 (c) Unless otherwise directed by the Secretary, a licensee
12 shall pay all costs reasonably incurred in connection with an
13 examination of the licensee or the licensee's authorized
14 delegates.

15 Section 4-4. Networked supervision.

16 (a) To efficiently and effectively administer and enforce
17 this Act and to minimize regulatory burden, the Secretary is
18 authorized and encouraged to participate in multistate
19 supervisory processes established between states and
20 coordinated through the Conference of State Bank Supervisors,
21 Money Transmitter Regulators Association, and affiliates and
22 successors thereof for all licensees that hold licenses in
23 this State and other states. As a participant in multistate
24 supervision, the Secretary may:

25 (1) cooperate, coordinate, and share information with

1 other state and federal regulators in accordance with
2 Section 4-2;

3 (2) enter into written cooperation, coordination, or
4 information-sharing contracts or agreements with
5 organizations the membership of which is made up of state
6 or federal governmental agencies; and

7 (3) cooperate, coordinate, and share information with
8 organizations the membership of which is made up of state
9 or federal governmental agencies, if the organizations
10 agree in writing to maintain the confidentiality and
11 security of the shared information in accordance with
12 Section 4-2.

13 (b) The Secretary may not waive, and nothing in this
14 Section constitutes a waiver of, the Secretary's authority to
15 conduct an examination or investigation or otherwise take
16 independent action authorized by this Act or a rule adopted or
17 order issued under this Act to enforce compliance with
18 applicable state or federal law.

19 (c) A joint examination or investigation, or acceptance of
20 an examination or investigation report, does not waive an
21 examination assessment provided for in this Act.

22 Section 4-5. Relationship to federal law.

23 (a) If state money transmission jurisdiction is
24 conditioned on a federal law, any inconsistencies between a
25 provision of this Act and the federal law governing money

1 transmission shall be governed by the applicable federal law
2 to the extent of the inconsistency.

3 (b) In the event of any inconsistencies between this Act
4 and a federal law that governs pursuant to subsection (a), the
5 Secretary may provide interpretive rule or guidance that:

6 (1) identifies the inconsistency; and

7 (2) identifies the appropriate means of compliance
8 with federal law.

9 ARTICLE V. Money Transmission Licenses

10 Section 5-1. License required.

11 (a) A person may not engage in the business of money
12 transmission or advertise, solicit, or hold oneself out as
13 providing money transmission unless the person is licensed
14 under this Act.

15 (b) Subsection (a) does not apply to:

16 (1) A person who is an authorized delegate of a person
17 licensed under this Act acting within the scope of
18 authority conferred by a written contract with the
19 licensee; or

20 (2) A person who is exempt pursuant to Section 3-1 and
21 does not engage in money transmission outside the scope of
22 such exemption.

23 (c) A license issued under Section 5-5 that is not
24 transferable or assignable.

1 Section 5-2. Consistent State licensing.

2 (a) To establish consistent licensing between this State
3 and other states, the Secretary is authorized and encouraged
4 to:

5 (1) implement all licensing provisions of this Act in
6 a manner that is consistent with other states that have
7 adopted this Act or multistate licensing processes; and

8 (2) participate in nationwide protocols for licensing
9 cooperation and coordination among state regulators
10 provided that such protocols are consistent with this Act.

11 (b) In order to fulfill the purposes of this Act, the
12 Secretary is authorized and encouraged to establish
13 relationships or contracts with NMLS or other entities
14 designated by NMLS to enable the Secretary to:

15 (1) collect and maintain records;

16 (2) coordinate multistate licensing processes and
17 supervision processes;

18 (3) process fees; and

19 (4) facilitate communication between this State and
20 licensees or other persons subject to this Act.

21 (c) The Secretary is authorized and encouraged to use NMLS
22 for all aspects of licensing in accordance with this Act,
23 including, but not limited to, license applications,
24 applications for acquisitions of control, surety bonds,
25 reporting, criminal history background checks, credit checks,

1 fee processing, and examinations.

2 (d) The Secretary is authorized and encouraged to use NMLS
3 forms, processes, and functionalities in accordance with this
4 Act. If NMLS does not provide functionality, forms, or
5 processes for a provision of this Act, the Secretary is
6 authorized and encouraged to strive to implement the
7 requirements in a manner that facilitates uniformity with
8 respect to licensing, supervision, reporting, and regulation
9 of licensees which are licensed in multiple jurisdictions.

10 (e) For the purpose of participating in NMLS, the
11 Secretary is authorized to waive or modify, in whole or in
12 part, by rule, regulation or order, any or all of the
13 requirements and to establish new requirements as reasonably
14 necessary to participate in NMLS.

15 Section 5-3. Application for license.

16 (a) Applicants for a license shall apply in a form and in a
17 medium as prescribed by the Secretary. Each such form shall
18 contain content as set forth by rule, regulation, instruction
19 or procedure of the Secretary and may be changed or updated by
20 the Secretary in accordance with applicable law in order to
21 carry out the purposes of this Act and maintain consistency
22 with NMLS licensing standards and practices. The application
23 must state or contain, as applicable:

24 (1) the legal name and residential and business
25 addresses of the applicant and any fictitious or trade

1 name used by the applicant in conducting its business;

2 (2) a list of any criminal convictions of the
3 applicant and any material litigation in which the
4 applicant has been involved in the 10-year period next
5 preceding the submission of the application;

6 (3) a description of any money transmission previously
7 provided by the applicant and the money transmission that
8 the applicant seeks to provide in this State;

9 (4) a list of the applicant's proposed authorized
10 delegates and the locations in this State where the
11 applicant and its authorized delegates propose to engage
12 in money transmission;

13 (5) a list of other states in which the applicant is
14 licensed to engage in money transmission and any license
15 revocations, suspensions, or other disciplinary action
16 taken against the applicant in another state;

17 (6) information concerning any bankruptcy or
18 receivership proceedings affecting the licensee or a
19 person in control of a licensee;

20 (7) a sample form of contract for authorized
21 delegates, if applicable;

22 (8) a sample form of payment instrument or stored
23 value, as applicable;

24 (9) the name and address of any federally insured
25 depository financial institution through which the
26 applicant plans to conduct money transmission; and

1 (10) any other information the Secretary or NMLS
2 reasonably requires with respect to the applicant.

3 (b) If an applicant is a corporation, limited liability
4 company, partnership, or other legal entity, the applicant
5 shall also provide:

6 (1) the date of the applicant's incorporation or
7 formation and State or country of incorporation or
8 formation;

9 (2) if applicable, a certificate of good standing from
10 the State or country in which the applicant is
11 incorporated or formed;

12 (3) a brief description of the structure or
13 organization of the applicant, including any parents or
14 subsidiaries of the applicant, and whether any parents or
15 subsidiaries are publicly traded;

16 (4) the legal name, any fictitious or trade name, all
17 business and residential addresses, and the employment, as
18 applicable, in the 10-year period next preceding the
19 submission of the application of each key individual and
20 person in control of the applicant;

21 (5) a list of any criminal convictions and material
22 litigation in which a person in control of the applicant
23 that is not an individual has been involved in the 10-year
24 period preceding the submission of the application;

25 (6) a copy of audited financial statements of the
26 applicant for the most recent fiscal year and for the

1 2-year period preceding the submission of the application
2 or, if determined to be acceptable to the Secretary;

3 (7) a certified copy of unaudited financial statements
4 of the applicant for the most recent fiscal quarter;

5 (8) if the applicant is a publicly traded corporation,
6 a copy of the most recent report filed with the United
7 States Securities and Exchange Commission under Section 13
8 of the federal Securities Exchange Act of 1934, 15 U.S.C.
9 78m, as amended or recodified from time to time;

10 (9) if the applicant is a wholly owned subsidiary of:

11 (A) a corporation publicly traded in the United
12 States, a copy of audited financial statements for the
13 parent corporation for the most recent fiscal year or
14 a copy of the parent corporation's most recent report
15 filed under Section 13 of the federal Securities
16 Exchange Act of 1934, 15 U.S.C. 78m, as amended or
17 recodified from time to time; or

18 (B) a corporation publicly traded outside the
19 United States, a copy of similar documentation filed
20 with the regulator of the parent corporation's
21 domicile outside the United States;

22 (10) the name and address of the applicant's
23 registered agent in this State; and

24 (11) any other information the Secretary reasonably
25 requires with respect to the applicant.

26 A nonrefundable application fee must accompany an

1 application for a license under this Section in accordance
2 with 38 Ill. Adm. Code 205.35, as amended or recodified from
3 time to time.

4 (c) The Secretary may waive one or more requirements of
5 subsections (a) and (b) or permit an applicant to submit other
6 information instead of the required information.

7 Section 5-4. Information requirements for certain
8 individuals.

9 (a) Any individual in control of a licensee or applicant,
10 any individual that seeks to acquire control of a licensee,
11 and each key individual shall furnish to the Secretary through
12 NMLS the following items:

13 (1) The individual's fingerprints for submission to
14 the Federal Bureau of Investigation and the Secretary for
15 purposes of a national criminal history background check
16 unless the person currently resides outside of the United
17 States and has resided outside of the United States for
18 the last 10 years.

19 (2) Personal history and experience in a form and in a
20 medium prescribed by the Secretary, to obtain the
21 following:

22 (A) an independent credit report from a consumer
23 reporting agency unless the individual does not have a
24 social security number, in which case, this
25 requirement shall be waived;

1 (B) information related to any criminal
2 convictions or pending charges; and

3 (C) information related to any regulatory or
4 administrative action and any civil litigation
5 involving claims of fraud, misrepresentation,
6 conversion, mismanagement of funds, breach of
7 fiduciary duty, or breach of contract.

8 (b) If the individual has resided outside of the United
9 States at any time in the last 10 years, the individual shall
10 also provide an investigative background report prepared by an
11 independent search firm that meets the following requirements:

12 (1) At a minimum, the search firm shall:

13 (A) demonstrate that it has sufficient knowledge,
14 resources, and employs accepted and reasonable
15 methodologies to conduct the research of the
16 background report; and

17 (B) not be affiliated with or have an interest
18 with the individual it is researching.

19 (2) At a minimum, the investigative background report
20 shall be written in the English language and shall contain
21 the following:

22 (A) if available in the individual's current
23 jurisdiction of residency, a comprehensive credit
24 report, or any equivalent information obtained or
25 generated by the independent search firm to accomplish
26 such report, including a search of the court data in

1 the countries, provinces, states, cities, towns, and
2 contiguous areas where the individual resided and
3 worked;

4 (B) criminal records information for the past 10
5 years, including, but not limited to, felonies,
6 misdemeanors, or similar convictions for violations of
7 law in the countries, provinces, states, cities,
8 towns, and contiguous areas where the individual
9 resided and worked;

10 (C) employment history;

11 (D) media history, including an electronic search
12 of national and local publications, wire services, and
13 business applications; and

14 (E) financial services-related regulatory history,
15 including, but not limited to, money transmission,
16 securities, banking, insurance, and mortgage related
17 industries.

18 Section 5-5. Issuance of license.

19 (a) When an application for an original license under this
20 Act appears to include all the items and addresses of all of
21 the matters that are required, the application is complete and
22 the Secretary shall promptly notify the applicant in a record
23 of the date on which the application is determined to be
24 complete, and:

25 (1) unless extended by the Secretary pursuant to the

1 Secretary's discretion, the Secretary shall approve or
2 deny the application within 120 days after the completion
3 date; or

4 (2) if the application is not approved or denied
5 within 120 days after the completion date or any extension
6 thereof:

7 (A) the application is approved; and

8 (B) the license takes effect as of the first
9 business day after expiration of the 120-day period.

10 (b) A determination by the Secretary that an application
11 is complete and is accepted for processing means only that the
12 application, on its face, appears to include all of the items,
13 including the Criminal Background Check response from the FBI,
14 and address all of the matters that are required, and is not an
15 assessment of the substance of the application or of the
16 sufficiency of the information provided.

17 (c) When an application is filed and considered complete
18 under this Section, the Secretary shall investigate the
19 applicant's financial condition and responsibility, financial
20 and business experience, character, and general fitness. The
21 Secretary may conduct an on-site investigation of the
22 applicant, the reasonable cost of which the applicant must
23 pay. The Secretary shall issue a license to an applicant under
24 this Section if the Secretary finds that all of the following
25 conditions have been fulfilled:

26 (1) the applicant has complied with Sections 5-3 and

1 5-4; and

2 (2) the financial condition and responsibility,
3 financial and business experience, competence, character,
4 and general fitness of the applicant and the competence,
5 experience, character, and general fitness of the key
6 individuals and persons in control of the applicant
7 indicate that it is in the interest of the public to permit
8 the applicant to engage in money transmission.

9 (d) If an applicant avails itself or is otherwise subject
10 to a multistate licensing process:

11 (1) the Secretary is authorized and encouraged to
12 accept the investigation results of a lead investigative
13 state for the purpose of subsection (c) if the lead
14 investigative state has sufficient staffing, expertise,
15 and minimum standards; or

16 (2) if Illinois is a lead investigative state, the
17 Secretary is authorized and encouraged to investigate the
18 applicant pursuant to subsection (c) and the timeframes
19 established by agreement through the multistate licensing
20 process, however, in no case shall such timeframe be
21 noncompliant with the application period in paragraph (1)
22 of subsection (a).

23 (e) The Secretary shall issue a formal written notice of
24 the denial of a license application within 30 days after the
25 decision to deny the application. The Secretary shall set
26 forth the specific reasons for the denial of the application

1 in the notice of denial and serve the applicant, either
2 personally or by certified mail. Service by certified mail
3 shall be deemed completed when the notice is deposited into
4 the U.S. Mail. An applicant whose application is denied by the
5 Secretary under this Section may submit a written request for
6 a hearing that shall include the particular reasons why the
7 applicant believes that the decision to deny the application
8 was incorrect, within 10 days after service of the notice of
9 the denial. If an applicant submits a timely request for a
10 hearing, the Secretary shall schedule a hearing after the
11 request for a hearing unless otherwise agreed to by the
12 parties. The Secretary shall conduct hearings pursuant to this
13 Section and in accordance with 38 Ill. Adm. Code 100, as
14 amended or recodified from time to time.

15 (f) The initial license term shall begin on the day that
16 the application is approved. The license shall expire on
17 December 31 of the year in which the license term began, unless
18 the initial license date is between November 1 and December
19 31, in which instance the initial license term shall run
20 through December 31 of the following year.

21 Section 5-6. Renewal of license.

22 (a) A license under this Act shall be renewed annually.

23 (b) An annual renewal fee in accordance with 38 Ill. Adm.
24 Code 205.35 as amended or recodified from time to time shall be
25 paid to the Department. The renewal term shall be for a period

1 of one year and shall begin on January 1 of each year after the
2 initial license term and shall expire on December 31 of the
3 year the renewal term begins.

4 (c) A licensee shall submit a renewal report, in a form and
5 in a medium prescribed by the Secretary by December 1 of each
6 year. The form requires any information deemed necessary by
7 the Secretary to review a renewal application. At a minimum,
8 the renewal report must state or contain a description of each
9 material change in information submitted by the licensee in
10 its original license application which has not been reported
11 to the Secretary and a statement of the dollar amount and
12 number of money transmissions and payment instruments sold,
13 issued, exchanged, or transmitted in this State by the
14 licensee and its authorized delegate for the past 4 completed
15 calendar quarters.

16 (d) The Secretary, in his or her discretion, may grant an
17 extension of the renewal date.

18 (e) The Secretary is authorized and encouraged to use NMLS
19 to process license renewals if such functionality is
20 consistent with this Section.

21 (f) The Secretary shall issue a formal written notice of
22 the denial of renewal within 30 days after the decision to deny
23 the renewal. The Secretary shall set forth the specific
24 reasons for denying the renewal in the notice of denial and
25 serve the licensee, either personally or by certified mail.
26 Service by certified mail shall be deemed completed when the

1 notice is deposited into the U.S. Mail. A licensee whose
2 renewal is denied by the Secretary under this Section may
3 submit a written request for a hearing that shall include the
4 particular reasons why the licensee believes that the decision
5 to deny the renewal was incorrect within 10 days after service
6 of the notice of the denial. If a licensee submits a timely
7 request for a hearing, the Secretary shall schedule a hearing
8 unless otherwise agreed to by the parties. The Secretary shall
9 conduct hearings pursuant to this Section and in accordance
10 with 38 Ill. Adm. Code 100, as amended or recodified from time
11 to time. The expiring license shall be deemed to continue in
12 force until 10 days after the service of the notice of denial
13 or, if a timely hearing is requested during that period, until
14 a final order is entered pursuant to a hearing.

15 Section 5-7. Maintenance of license.

16 (a) If a licensee does not continue to meet the
17 qualifications or satisfy the requirements that apply to an
18 applicant for a new money transmission license, the Secretary
19 may suspend or revoke the licensee's license in accordance
20 with the procedures established by this Act or other
21 applicable State law for such suspension or revocation.

22 (b) An applicant for a money transmission license must
23 demonstrate that it meets or will meet, and a money
24 transmission licensee must at all times meet, the requirements
25 in Article X of this Act.

1 Section 5-8. Fees.

2 The expenses of administering this Act, including
3 investigations and examinations provided for in this Act,
4 shall be borne by and assessed against entities regulated by
5 this Act. The Department may establish fees by rule, including
6 in the following categories:

7 (1) investigation of licensees and license applicant
8 fees;

9 (2) examination fees;

10 (3) contingent fees; and

11 (4) such other categories as may be required to
12 administer this Act.

13 (b) The Secretary shall charge and collect fees, which
14 shall be nonrefundable unless otherwise indicated, in
15 accordance with 38 Ill. Adm. Code 205.35.

16 (c) All fees currently assessed in accordance with 38 Ill.
17 Adm. Code 205.35, as amended or recodified from time to time,
18 shall remain in effect. Except for money required to be
19 deposited into the TOMA Consumer Protection Fund pursuant to
20 this Act, all moneys received by the Department shall be
21 deposited into the Financial Institution Fund. Failure to pay
22 any required fee by the due date shall subject the licensee to
23 a penalty fee of \$25 per day and disciplinary action.

24 Section 5-9. Liability of licensees. A licensee is liable

1 for the payment of all moneys covered by payment instruments
2 that it sells or issues in any form in this State through its
3 authorized delegate and all moneys it receives itself or
4 through its authorized delegate for transmission by any means
5 whether or not any instrument is a negotiable instrument under
6 the laws of this State.

7 ARTICLE VI. Acquisition of Control and Change of Key
8 Individual

9 Section 6-1. Acquisition of control.

10 (a) Any person, or group of persons acting in concert,
11 seeking to acquire control of a licensee shall obtain the
12 written approval of the Secretary before acquiring control. An
13 individual is not deemed to acquire control of a licensee and
14 is not subject to this Section when that individual becomes a
15 key individual in the ordinary course of business.

16 (b) A person, or group of persons acting in concert,
17 seeking to acquire control of a licensee shall, in cooperation
18 with the licensee:

19 (1) submit an application in a form and in a medium
20 prescribed by the Secretary; and

21 (2) submit a nonrefundable fee of \$1,000 with the
22 request for approval.

23 (c) Upon request, the Secretary may permit a licensee or
24 the person, or group of persons acting in concert, to submit

1 some or all information required by the Secretary pursuant to
2 subsection (b) without using NMLS.

3 (d) The application required by subsection (b) shall
4 include information required by Section 5-4 for any new key
5 individuals that have not previously completed the
6 requirements of Section 5-4 for a licensee.

7 (e) When an application for acquisition of control under
8 this Section appears to include all the items and address all
9 of the matters that are required, the application shall be
10 considered complete and:

11 (1) unless extended by the Secretary pursuant to the
12 Secretary's discretion, the Secretary shall approve or
13 deny the application within 60 days after the completion
14 date; or

15 (2) if the application is not approved or denied
16 within 60 days after the completion date or any extension
17 thereof:

18 (A) the application is approved; and

19 (B) the person, or group of persons acting in
20 concert, are not prohibited from acquiring control.

21 (f) A determination by the Secretary that an application
22 is complete and is accepted for processing means only that the
23 application, on its face, appears to include all of the items
24 and address all of the matters that are required, and is not an
25 assessment of the substance of the application or of the
26 sufficiency of the information provided.

1 (g) When an application is filed and considered complete
2 under subsection (e), the Secretary shall investigate the
3 financial condition and responsibility, financial and business
4 experience, character, and general fitness of the person, or
5 group of persons acting in concert, seeking to acquire
6 control. The Secretary shall approve an acquisition of control
7 pursuant to this Section if the Secretary finds that all of the
8 following conditions have been fulfilled:

9 (1) The requirements of subsections (b) and (d) have
10 been met, as applicable; and

11 (2) the financial condition and responsibility,
12 financial and business experience, competence, character,
13 and general fitness of the person, or group of persons
14 acting in concert, seeking to acquire control; and the
15 competence, experience, character, and general fitness of
16 the key individuals and persons that would be in control
17 of the licensee after the acquisition of control indicate
18 that it is in the interest of the public to permit the
19 person, or group of persons acting in concert, to control
20 the licensee.

21 (h) If an applicant avails itself or is otherwise subject
22 to a multistate licensing process:

23 (1) the Secretary is authorized and encouraged to
24 accept the investigation results of a lead investigative
25 state for the purpose of subsection (g) if the lead
26 investigative state has sufficient staffing, expertise,

1 and minimum standards; or

2 (2) if the Department is a lead investigative state,
3 the Secretary is authorized and encouraged to investigate
4 the applicant pursuant to subsection (g) and the
5 timeframes established by agreement through the multistate
6 licensing process.

7 (i) The Secretary shall issue a formal written notice of
8 the denial of an application to acquire control within 30 days
9 after the decision to deny the application. The Secretary
10 shall set forth the specific reasons for the denial of the
11 application in the notice of denial and serve the applicant,
12 either personally or by certified mail. Service by certified
13 mail shall be deemed completed when the notice is deposited
14 into the U.S. mail. An applicant whose application is denied
15 by the Secretary under this subsection (i) may submit a
16 written request for hearing which shall include the particular
17 reasons why the applicant believes that the decision to deny
18 the application was incorrect, within 10 days after service of
19 the notice of denial. If an applicant submits a timely request
20 for a hearing, the Secretary shall schedule a hearing unless
21 otherwise agreed to by the parties. The Secretary shall
22 conduct hearings pursuant to this Section and in accordance
23 with 38 Ill. Adm. Code 100, as amended or recodified from time
24 to time.

25 (j) The requirements of subsections (a) and (b) do not
26 apply to any of the following:

1 (1) a person that acts as a proxy for the sole purpose
2 of voting at a designated meeting of the shareholders or
3 holders of voting shares or voting interests of a licensee
4 or a person in control of a licensee;

5 (2) a person that acquires control of a licensee by
6 devise or descent;

7 (3) a person that acquires control of a licensee as a
8 personal representative, custodian, guardian,
9 conservator, or trustee, or as an officer appointed by a
10 court of competent jurisdiction or by operation of law;

11 (4) a person that is exempt under subsection (g) of
12 Section 3-1;

13 (5) A person that the Secretary determines is not
14 subject to subsection (a) based on the public interest;

15 (6) A public offering of securities of a licensee or a
16 person in control of a licensee; or

17 (7) An internal reorganization of a person in control
18 of the licensee where the ultimate person in control of
19 the licensee remains the same.

20 (k) Persons in paragraphs (2), (3), (4), (6), and (7) of
21 subsection (j) in cooperation with the licensee shall notify
22 the Secretary within 15 days after the acquisition of control.

23 (1) Streamlined acquisition of control.

24 (1) The requirements of subsections (a) and (b) do not
25 apply to a person that has complied with and received
26 approval to engage in money transmission under this Act or

1 was identified as a person in control in a prior
2 application filed with and approved by the Secretary or by
3 an MSB accredited state agency pursuant to a multistate
4 licensing process, if:

5 (A) the person has not had a license revoked or
6 suspended or controlled a licensee that has had a
7 license revoked or suspended while the person was in
8 control of the licensee in the previous 5 years;

9 (B) if the person is a licensee, the person is well
10 managed and has received at least a satisfactory
11 rating for compliance at its most recent examination
12 by an MSB accredited state agency if such rating was
13 given;

14 (C) the licensee to be acquired is projected to
15 meet the requirements of Article X of this Act after
16 the acquisition of control is completed, and if the
17 person acquiring control is a licensee, that licensee
18 is also projected to meet the requirements of Article
19 X of this Act after the acquisition of control is
20 completed;

21 (D) the licensee to be acquired will not implement
22 any material changes to its business plan as a result
23 of the acquisition of control, and if the person
24 acquiring control is a licensee, that licensee also
25 will not implement any material changes to its
26 business plan as a result of the acquisition of

1 control; and

2 (E) the person provides notice of the acquisition
3 in cooperation with the licensee and attests to this
4 subsection in a form and in a medium prescribed by the
5 Secretary.

6 (2) If the notice is not denied within 30 days after
7 the date on which the notice was determined to be
8 complete, the notice is deemed approved.

9 (m) Before filing an application for approval to acquire
10 control of a licensee a person may request in writing a
11 determination from the Secretary as to whether the person
12 would be considered a person in control of a licensee upon
13 consummation of a proposed transaction. If the Secretary
14 determines that the person would not be a person in control of
15 a licensee, the proposed person and transaction is not subject
16 to the requirements of subsections (a) and (b).

17 (n) If a multistate licensing process includes a
18 determination pursuant to subsection (m) and an applicant
19 avails itself or is otherwise subject to the multistate
20 licensing process:

21 (1) The Secretary is authorized and encouraged to
22 accept the control determination of a lead investigative
23 state with sufficient staffing, expertise, and minimum
24 standards for the purpose of subsection (m); or

25 (2) If the Department is a lead investigative state,
26 the Secretary is authorized and encouraged to investigate

1 the applicant pursuant to subsection (m) and the
2 timeframes established by agreement through the multistate
3 licensing process.

4 Section 6-2. Notice and information requirements for a
5 change of key individuals.

6 (a) A licensee adding or replacing any key individual
7 shall:

8 (1) provide notice in a manner prescribed by the
9 Secretary within 15 days after the effective date of the
10 key individual's appointment; and

11 (2) provide information as required by Section 5-4
12 within 45 days after the effective date.

13 (b) The Secretary may issue a formal written notice of
14 denial of key individual within 90 days after the date on which
15 the notice provided pursuant to subsection (a) was determined
16 to be complete if the competence, experience, character, or
17 integrity of the individual would not be in the best interests
18 of the public or the customers of the licensee to permit the
19 individual to be a key individual of such licensee.

20 (c) The Secretary shall set forth the specific reasons for
21 the denial in the notice of denial and serve the licensee and
22 the denied individual, either personally, or by certified
23 mail. Service by certified mail shall be deemed completed when
24 the notice is deposited into the U.S. Mail. A licensee who has
25 been denied by the Secretary under this subsection (c) may

1 submit a written request for hearing which shall include the
2 particular reasons why the licensee believes that the decision
3 to deny was incorrect, within 10 days after service of the
4 notice of the denial. If a licensee submits a timely request
5 for a hearing, the Secretary shall schedule a hearing after
6 the request for a hearing unless otherwise agreed to by the
7 parties. The Secretary shall conduct hearings pursuant to this
8 Section and in accordance with 38 Ill. Adm. Code 100.

9 (d) If the notice provided pursuant to subsection (a) is
10 not denied within 90 days after the date on which the notice
11 was determined to be complete, or any extension thereof, the
12 key individual is deemed approved.

13 (e) If a multistate licensing process includes a key
14 individual notice review and denial process pursuant to this
15 Section and the licensee avails itself or is otherwise subject
16 to the multistate licensing process:

17 (1) the Secretary is authorized and encouraged to
18 accept the determination of another state;

19 (2) if the investigating state has sufficient
20 staffing, expertise, and minimum standards for the purpose
21 of this Section; or

22 (3) if the Department is a lead investigative state,
23 the Secretary is authorized and encouraged to investigate
24 the applicant pursuant to subsection (b) and the
25 timeframes established by agreement through the multistate
26 licensing process.

1 ARTICLE VII. Reporting and Records

2 Section 7-1. Report of condition.

3 (a) Each licensee, under penalty of perjury, shall submit
4 a report of condition within 45 days of the end of the calendar
5 quarter, or within any extended time as the Secretary may
6 prescribe.

7 (b) The report of condition shall include:

8 (1) financial information at the licensee level;

9 (2) nationwide and state-specific money transmission
10 transaction information in every jurisdiction in the
11 United States where the licensee is licensed to engage in
12 money transmission;

13 (3) permissible investments report;

14 (4) transaction destination country reporting for
15 money received for transmission, if applicable; and

16 (5) any other information the Secretary reasonably
17 requires with respect to the licensee. The Secretary is
18 authorized and encouraged to use NMLS for the submission
19 of the report required by subsection (a) and is authorized
20 to change or update as necessary the requirements of this
21 Section to carry out the purposes of this Act and maintain
22 consistency with NMLS reporting.

23 (c) The information required by paragraph (4) of
24 subsection (b) shall only be included in a report of condition

1 submitted within 45 days of the end of the fourth calendar
2 quarter.

3 Section 7-2. Audited financials.

4 (a) Each licensee shall, within 90 days after the end of
5 each fiscal year, or within any extended time as the Secretary
6 may prescribe, file with the Secretary:

7 (1) an audited financial statement of the licensee for
8 the fiscal year prepared in accordance with United States
9 generally accepted accounting principles; and

10 (2) any other information as the Secretary may
11 reasonably require.

12 (b) The audited financial statements shall be prepared by
13 an independent certified public accountant or independent
14 public accountant who is satisfactory to the Secretary;

15 (c) The audited financial statements shall include or be
16 accompanied by a certificate of opinion of the independent
17 certified public accountant or independent public accountant
18 that is satisfactory in form and content to the Secretary. If
19 the opinion or certificate is qualified, the licensee must
20 make a separate report to the Secretary notifying them of the
21 qualified opinion or certification. If the certificate or
22 opinion is qualified, the Secretary may order the licensee to
23 take any action as the Secretary may find necessary to enable
24 the certified public accountant or independent public
25 accountant to remove the qualification.

1 Section 7-3. Authorized delegate reporting.

2 (a) Each licensee shall submit a report of authorized
3 delegates within 45 days of the end of the calendar quarter.
4 The Secretary is authorized and encouraged to use NMLS for the
5 submission of the report required by this Section provided
6 that such functionality is consistent with the requirements of
7 this Section.

8 (b) The authorized delegate report shall include, at a
9 minimum, each authorized delegate's:

- 10 (1) company legal name;
- 11 (2) taxpayer employer identification number;
- 12 (3) principal provider identifier;
- 13 (4) physical address;
- 14 (5) mailing address;
- 15 (6) any business conducted in other states;
- 16 (7) any fictitious or trade name;
- 17 (8) contact person name, phone number, and email;
- 18 (9) start date as licensee's authorized delegate;
- 19 (10) end date acting as licensee's authorized
20 delegate, if applicable;
- 21 (11) court orders pursuant to Section 8-3; and
- 22 (12) Any other information the Secretary reasonably
23 requires with respect to the authorized delegate.

24 Section 7-4. Reports of certain events.

1 (a) A licensee shall file a report with the Secretary
2 within one business day after the licensee has reason to know
3 of the occurrence of any of the following events:

4 (1) the filing of a petition by or against the
5 licensee under the United States Bankruptcy Code, 11
6 U.S.C. Sections 101 through 110, as amended or recodified
7 from time to time, for bankruptcy or reorganization;

8 (2) the filing of a petition by or against the
9 licensee for receivership, the commencement of any other
10 judicial or administrative proceeding for its dissolution
11 or reorganization, or the making of a general assignment
12 for the benefit of its creditors; or

13 (3) the commencement of a proceeding to revoke or
14 suspend its license in a state or country in which the
15 licensee engages in business or is licensed.

16 (b) A licensee shall file a report with the Secretary
17 within 3 business days after the licensee has reason to know of
18 the occurrence of any of the following events:

19 (1) a charge or conviction of the licensee or of a key
20 individual or person in control of the licensee for a
21 felony; or

22 (2) a charge or conviction of an authorized delegate
23 for a felony.

24 Section 7-5. Bank Secrecy Act reports. A licensee and an
25 authorized delegate shall file all reports required by federal

1 currency reporting, record keeping, and suspicious activity
2 reporting requirements as set forth in the Bank Secrecy Act
3 and other federal and State laws pertaining to money
4 laundering. The timely filing of a complete and accurate
5 report required under this Section with the appropriate
6 federal agency is deemed compliant with the requirements of
7 this Section.

8 Section 7-6. Records.

9 (a) Licensee shall maintain the following records, for
10 determining its compliance with this Act, for at least 3
11 years:

12 (1) a record of each outstanding money transmission
13 obligation sold;

14 (2) a general ledger posted at least monthly
15 containing all asset, liability, capital, income, and
16 expense accounts;

17 (3) bank statements and bank reconciliation records;

18 (4) records of outstanding money transmission
19 obligations;

20 (5) records of each outstanding money transmission
21 obligation paid within the 3-year period;

22 (6) a list of the last known names and addresses of all
23 of the licensee's authorized delegates; and

24 (7) any other records the Secretary reasonably
25 requires by rule.

1 (b) The records specified in subsection (a) may be
2 maintained in electronic or other retrievable form of record.

3 (c) The records specified in subsection (a) shall be
4 maintained at the licensee's principal place of business or,
5 with notice to the Secretary, at another location designated
6 by the licensee. If the records are maintained outside this
7 State, the licensee shall make them accessible to the
8 Secretary on 7 business-days' notice.

9 (d) All records maintained by the licensee as required in
10 subsections (a) through (c) are open to inspection by the
11 Secretary pursuant to subsection (a) of Section 4-3.

12 (e) A licensee shall require and its authorized sellers
13 must preserve for at least 3 years all documents relating to
14 money transmission activities, unless the data embodied in
15 those documents has been transmitted for recordation by the
16 licensee.

17 ARTICLE VIII. Authorized Delegates

18 Section 8-1. Relationship Between licensee and authorized
19 delegate.

20 (a) As used in this Section, "remit" means to make direct
21 payments of money to a licensee or its representative
22 authorized to receive money or to deposit money in a bank in an
23 account specified by the licensee.

24 (b) Before a licensee is authorized to conduct business

1 through an authorized delegate or allows a person to act as the
2 licensee's authorized delegate, the licensee must:

3 (1) adopt, and update as necessary, written policies
4 and procedures reasonably designed to ensure that the
5 licensee's authorized delegates comply with applicable
6 State and federal law;

7 (2) enter into a written contract that complies with
8 subsection (d); and

9 (3) conduct a reasonable risk-based background
10 investigation sufficient for the licensee to determine
11 whether the authorized delegate has complied and will
12 likely comply with applicable state and federal law.

13 (c) An authorized delegate must operate in full compliance
14 with this Act.

15 (d) The written contract required by subsection (b) must
16 be signed by the licensee and the authorized delegate and, at a
17 minimum, must:

18 (1) expressly appoint the person signing the contract
19 as the licensee's authorized delegate with the authority
20 to conduct money transmission on behalf of the licensee;

21 (2) set forth the nature and scope of the relationship
22 between the licensee and the authorized delegate and the
23 respective rights and responsibilities of the parties;

24 (3) require the authorized delegate to agree to fully
25 comply with all applicable State and federal laws, rules,
26 and regulations pertaining to money transmission,

1 including this Act and regulations implementing this Act,
2 relevant provisions of the Bank Secrecy Act, and the USA
3 PATRIOT ACT;

4 (4) require the authorized delegate to remit and
5 handle money and monetary value in accordance with the
6 terms of the contract between the licensee and the
7 authorized delegate;

8 (5) impose a trust on money and monetary value net of
9 fees received for money transmission for the benefit of
10 the licensee;

11 (6) require the authorized delegate to prepare and
12 maintain records as required by this Act or regulations
13 implementing this Act, or as reasonably requested by the
14 Secretary;

15 (7) acknowledge that the authorized delegate consents
16 to examination or investigation by the Secretary;

17 (8) state that the licensee is subject to regulation
18 by the Secretary and that, as part of that regulation, the
19 Secretary may suspend or revoke an authorized delegate
20 designation or require the licensee to terminate an
21 authorized delegate designation; and

22 (9) acknowledge receipt of the written policies and
23 procedures required under paragraph (1) of subsection (b).

24 (e) If the licensee's license is suspended, revoked,
25 surrendered, or expired, the licensee must, within 5 business
26 days, provide documentation to the Secretary that the licensee

1 has notified all applicable authorized delegates of the
2 licensee whose names are in a record filed with the Secretary
3 of the suspension, revocation, surrender, or expiration of a
4 license. Upon suspension, revocation, surrender, or expiration
5 of a license, applicable authorized delegates shall
6 immediately cease to provide money transmission as an
7 authorized delegate of the licensee.

8 (f) An authorized delegate of a licensee holds in trust
9 for the benefit of the licensee all money net of fees received
10 from money transmission. If any authorized delegate commingles
11 any funds received from money transmission with any other
12 funds or property owned or controlled by the authorized
13 delegate, all commingled funds and other property shall be
14 considered held in trust in favor of the licensee in an amount
15 equal to the amount of money net of fees received from money
16 transmission.

17 (g) An authorized delegate may not use a subdelegate to
18 conduct money transmission on behalf of a licensee.

19 Section 8-2. Unauthorized activities. A person shall not
20 engage in the business of money transmission on behalf of a
21 person not licensed under this Act or not exempt pursuant to
22 Article III of this Act. A person that engages in such activity
23 provides money transmission to the same extent as if the
24 person were a licensee, and shall be jointly and severally
25 liable with the unlicensed or nonexempt person.

1 Section 8-3. Prohibited authorized delegates.

2 (a) The circuit court in an action brought by a licensee
3 shall have jurisdiction to grant appropriate equitable or
4 legal relief, including, without limitation, prohibiting the
5 authorized delegate from directly or indirectly acting as an
6 authorized delegate for any licensee in this State and the
7 payment of restitution, damages or other monetary relief, if
8 the circuit court finds that an authorized delegate failed to
9 remit money in accordance with the written contract required
10 by subsection (b) of Section 8-1 or as otherwise directed by
11 the licensee or required by law.

12 (b) If the circuit court issues an order prohibiting a
13 person from acting as an authorized delegate for any licensee
14 pursuant to subsection (a), the licensee that brought the
15 action shall report the order to the Secretary within 30 days
16 and shall report the order through NMLS within 90 days.

17 (c) An authorized delegate who holds money in trust for
18 the benefit of a licensee and knowingly fails to remit more
19 than \$1,000 of such money is guilty of a Class 3 felony.

20 (d) An authorized delegate who holds money in trust for
21 the benefit of a licensee and knowingly fails to remit no more
22 than \$999 of such money is guilty of a Class A misdemeanor.

23 ARTICLE IX. Timely Transmission, Refunds, and Disclosures

1 Section 9-1. Timely transmission.

2 (a) Every licensee shall forward all money received for
3 transmission in accordance with the terms of the agreement
4 between the licensee and the sender, which shall be no more
5 than 3 business days after the receipt of the money to be
6 transmitted, unless the licensee has a reasonable belief or a
7 reasonable basis to believe that the sender may be a victim of
8 fraud or that a crime or violation of law, rule, or regulation
9 has occurred, is occurring, or may occur.

10 (b) If a licensee fails to forward money received for
11 transmission in accordance with this Section, the licensee
12 must respond to inquiries by the sender with the reason for the
13 failure unless providing a response would violate a State or
14 federal law, rule, or regulation.

15 Section 9-2. Refunds.

16 (a) This Section does not apply to:

17 (1) money received for transmission subject to the
18 federal Remittance Rule, 12 CFR Part 1005, Subpart B, as
19 amended or recodified from time to time; or

20 (2) money received for transmission pursuant to a
21 written agreement between the licensee and payee to
22 process payments for goods or services provided by the
23 payee.

24 (b) Every licensee shall refund to the sender within 10
25 days after receipt of the sender's written request for a

1 refund of any and all money received for transmission unless
2 any of the following occurs:

3 (1) the money has been forwarded within 10 days after
4 the date on which the money was received for transmission;

5 (2) instructions have been given committing an
6 equivalent amount of money to the person designated by the
7 sender within 10 days after the date on which the money was
8 received for transmission;

9 (3) the agreement between the licensee and the sender
10 instructs the licensee to forward the money at a time that
11 is beyond 10 days after the date on which the money was
12 received for transmission; if funds have not yet been
13 forwarded in accordance with the terms of the agreement
14 between the licensee and the sender, the licensee shall
15 issue a refund in accordance with the other provisions of
16 this Section; or

17 (4) the refund is requested for a transaction that the
18 licensee has not completed based on a reasonable belief or
19 a reasonable basis to believe that a crime or violation of
20 law, rule, or regulation has occurred, is occurring, or
21 may occur.

22 (5) the refund request does not enable the licensee
23 to:

24 (A) identify the sender's name and address or
25 telephone number; or

26 (B) identify the particular transaction to be

1 refunded if the sender has multiple transactions
2 outstanding.

3 Section 9-3. Receipts.

4 (a) As used in this Section, "receipt" means a paper
5 receipt, electronic record, or other written confirmation. For
6 a transaction conducted in person, the receipt may be provided
7 electronically if the sender requests or agrees to receive an
8 electronic receipt. For a transaction conducted electronically
9 or by phone, a receipt may be provided electronically. All
10 electronic receipts shall be provided in a retainable form.

11 (b) This Section does not apply to:

12 (1) Money received for transmission subject to the
13 federal Remittance Rule, 12 CFR Part 1005, Subpart B, as
14 amended or recodified from time to time;

15 (2) money received for transmission pursuant to a
16 written agreement between the licensee and payee to
17 process payments for goods or services provided by the
18 payee;

19 (3) payroll processing services; or

20 (4) as authorized in the Secretary's sole discretion.

21 (c) Every licensee or its authorized delegate shall
22 provide the sender a receipt for money received for
23 transmission.

24 (1) The receipt shall contain the following
25 information, as applicable:

- 1 (A) the name of the sender;
- 2 (B) the name of the designated recipient;
- 3 (C) the date of the transaction;
- 4 (D) the unique transaction or identification
5 number;
- 6 (E) the name of the licensee, NMLS Unique ID, the
7 licensee's business address, and the licensee's
8 customer service telephone number;
- 9 (F) the amount of the transaction in United States
10 dollars;
- 11 (G) any fee charged by the licensee to the sender
12 for the transaction; and
- 13 (H) any taxes collected by the licensee from the
14 sender for the transaction.

15 (2) The receipt required by this Section shall be in
16 English and in the language principally used by the
17 licensee or authorized delegate to advertise, solicit, or
18 negotiate, either orally or in writing, for a transaction
19 conducted in person, electronically or by phone, if other
20 than English.

21 Section 9-4. Notice. Every licensee or authorized delegate
22 shall include on a receipt or disclose on the licensee's
23 website or mobile application the name and phone number of the
24 Department and a statement that the licensee's customers can
25 contact the Department with questions or complaints about the

1 licensee's money transmission services.

2 Section 9-5. Disclosures for payroll processing services.

3 (a) A licensee that provides payroll processing services
4 shall:

5 (1) issue reports to clients detailing client payroll
6 obligations in advance of the payroll funds being deducted
7 from an account; and

8 (2) make worker paystubs or an equivalent statement
9 available to workers.

10 (b) Subsection (a) does not apply to a licensee providing
11 payroll processing services where the licensee's client
12 designates the intended recipients to the licensee and is
13 responsible for providing the disclosures required by
14 paragraph (2) of subsection (a).

15 ARTICLE X. Prudential Standards

16 Section 10-1. Net worth.

17 (a) A licensee under this Act shall maintain at all times a
18 tangible net worth of the greater of \$100,000 or 3% of total
19 assets for the first \$100,000,000, 2% of additional assets for
20 \$100,000,000 to \$1,000,000,000, and 0.5% of additional assets
21 for over \$1,000,000,000.

22 (b) Tangible net worth must be demonstrated at initial
23 application by the applicant's most recent audited or

1 unaudited financial statements pursuant to paragraph (6) of
2 subsection (b) of Section 5-3.

3 (c) Notwithstanding the provisions of this Section, the
4 Secretary shall have discretionary authority to exempt, in
5 part or in whole, from the requirements of this Section any
6 applicant or licensee.

7 Section 10-2. Surety bond.

8 (a) An applicant for a money transmission license must
9 provide, and a licensee at all times must maintain, security
10 consisting of a surety bond in a form satisfactory to the
11 Secretary. The bond shall run to the State of Illinois for the
12 benefit of any claimant against the applicant or licensee with
13 respect to the receipt, handling, transmission, and payment of
14 money by the licensee or authorized delegate in connection
15 with the licensed operations. A claimant damaged by a breach
16 of the conditions of a bond shall have a right to action upon
17 the bond for damages suffered thereby and may bring suit
18 directly on the bond, or the Secretary may bring suit on behalf
19 of the claimant.

20 (b) The amount of the required security shall be the
21 greater of \$1,000,000 or an amount equal to 100% of the
22 licensee's average daily money transmission liability in this
23 State calculated for the most recently completed quarter, up
24 to a maximum of \$2,000,000;

25 (c) A licensee that maintains a bond in the maximum amount

1 provided for in subsection (b) is not required to calculate
2 its average daily money transmission liability in this State
3 for purposes of this Section.

4 (d) A licensee may exceed the maximum required bond amount
5 pursuant to paragraph (5) of subsection (a) of Section 10-4.

6 (e) After receiving a license, the licensee must maintain
7 the required bond plus net worth until 3 years after it ceases
8 to do business in this State unless all outstanding payment
9 instruments are eliminated or the provisions under the Revised
10 Uniform Unclaimed Property Act have become operative and are
11 adhered to by the licensee. Notwithstanding this provision,
12 however, the amount required to be maintained may be reduced
13 to the extent that the amount of the licensee's payment
14 instruments outstanding in this State are reduced.

15 (f) Instead of a paper surety bond, each licensee and
16 applicant shall file and maintain an electronic surety bond in
17 NMLS or in a manner otherwise authorized by the Secretary.

18 Section 10-3. Maintenance of permissible investments.

19 (a) A licensee shall maintain at all times permissible
20 investments that have a market value computed in accordance
21 with United States generally accepted accounting principles of
22 not less than the aggregate amount of all of its outstanding
23 money transmission obligations.

24 (b) Except for permissible investments enumerated in
25 subsection (a) of Section 10-4, the Secretary, with respect to

1 any licensee, may by rule or order limit the extent to which a
2 specific investment maintained by a licensee within a class of
3 permissible investments may be considered a permissible
4 investment, if the specific investment represents undue risk
5 to customers, not reflected in the market value of
6 investments.

7 (c) Permissible investments, even if commingled with other
8 assets of the licensee, are held in trust for the benefit of
9 the purchasers and holders of the licensee's outstanding money
10 transmission obligations in the event of insolvency, the
11 filing of a petition by or against the licensee under the
12 United States Bankruptcy Code, 11 U.S.C. Sections 101 through
13 110, as amended or recodified from time to time, for
14 bankruptcy or reorganization, the filing of a petition by or
15 against the licensee for receivership, the commencement of any
16 other judicial or administrative proceeding for its
17 dissolution or reorganization, or in the event of an action by
18 a creditor against the licensee who is not a beneficiary of
19 this statutory trust. No permissible investments impressed
20 with a trust pursuant to this subsection shall be subject to
21 attachment, levy of execution, or sequestration by order of
22 any court, except for a beneficiary of this statutory trust.

23 (d) Upon the establishment of a statutory trust in
24 accordance with subsection (c) or when any funds are drawn on a
25 letter of credit pursuant to paragraph (4) of subsection (a)
26 of Section 10-4, the Secretary shall notify the applicable

1 regulator of each state in which the licensee is licensed to
2 engage in money transmission, if any, of the establishment of
3 the trust or the funds drawn on the letter of credit, as
4 applicable. Notice shall be deemed satisfied if performed
5 pursuant to a multistate agreement or through NMLS. Funds
6 drawn on a letter of credit, and any other permissible
7 investments held in trust for the benefit of the purchasers
8 and holders of the licensee's outstanding money transmission
9 obligations, are deemed held in trust for the benefit of such
10 purchasers and holders on a pro rata and equitable basis in
11 accordance with statutes pursuant to which permissible
12 investments are required to be held in this State, and other
13 states, as applicable. Any statutory trust established
14 hereunder shall be terminated upon extinguishment of all of
15 the licensee's outstanding money transmission obligations.

16 (e) The Secretary by rule or by order may allow other types
17 of investments that the Secretary determines are of sufficient
18 liquidity and quality to be a permissible investment. The
19 Secretary is authorized to participate in efforts with other
20 state regulators to determine that other types of investments
21 are of sufficient liquidity and quality to be a permissible
22 investment.

23 Section 10-4. Types of permissible investments.

24 (a) The following investments are permissible under
25 Section 10-3:

1 (1) Cash, including demand deposits, savings deposits,
2 and funds in such accounts held for the benefit of the
3 licensee's customers in an insured depository financial
4 institution, and cash equivalents including ACH items in
5 transit to the licensee and ACH items or international
6 wires in transit to a payee, cash in transit via armored
7 car, cash in smart safes, cash in licensee-owned
8 locations, debit card or credit card-funded transmission
9 receivables owed by any bank, or money market mutual funds
10 rated "AAA" by S&P, or the equivalent from any eligible
11 rating service;

12 (2) certificates of deposit or senior debt obligations
13 of an insured depository institution, as defined in
14 Section 3 of the Federal Deposit Insurance Act, 12 U.S.C.
15 1813, as amended or recodified from time to time, or as
16 defined under the federal Credit Union Act, 12 U.S.C.
17 1781, as amended or recodified from time to time;

18 (3) an obligation of the United States or a
19 commission, agency, or instrumentality thereof; an
20 obligation that is guaranteed fully as to principal and
21 interest by the United States; or an obligation of a State
22 or a governmental subdivision, agency, or instrumentality
23 thereof;

24 (4) the full drawable amount of an irrevocable standby
25 letter of credit for which the stated beneficiary is the
26 Secretary that stipulates that the beneficiary need only

1 draw a sight draft under the letter of credit and present
2 it to obtain funds up to the letter of credit amount within
3 7 days of presentation of the items required by
4 subparagraph (C) of this paragraph.

5 (A) The letter of credit must:

6 (i) be issued by an insured depository
7 financial institution, a foreign bank that is
8 authorized under federal law to maintain a federal
9 agency or federal branch office in a State or
10 states, or a foreign bank that is authorized under
11 State law to maintain a branch in a State that (I)
12 bears an eligible rating or whose parent company
13 bears an eligible rating; and (II) is regulated,
14 supervised, and examined by United States federal
15 or State authorities having regulatory authority
16 over banks, credit unions, and trust companies;

17 (ii) be irrevocable, unconditional, and
18 indicate that it is not subject to any condition
19 or qualifications outside of the letter of credit;

20 (iii) not contain reference to any other
21 agreements, documents, or entities, or otherwise
22 provide for any security interest in the licensee;
23 and

24 (iv) contain an issue date and expiration date
25 and expressly provide for automatic extension,
26 without a written amendment, for an additional

1 period of one year from the present or each future
2 expiration date, unless the issuer of the letter
3 of credit notifies the Secretary in writing by
4 certified or registered mail or courier mail or
5 other receipted means, at least 60 days before any
6 expiration date, that the irrevocable letter of
7 credit will not be extended.

8 (B) If any notice of expiration or nonextension of
9 a letter of credit issued under subdivision (iv) of
10 subparagraph (A), the licensee shall be required to
11 demonstrate to the satisfaction of the Secretary, 15
12 days before expiration, that the licensee maintains
13 and will maintain permissible investments in
14 accordance with subsection (a) of Section 10-3 upon
15 the expiration of the letter of credit. If the
16 licensee is not able to do so, the Secretary may draw
17 on the letter of credit in an amount up to the amount
18 necessary to meet the licensee's requirements to
19 maintain permissible investments in accordance with
20 subsection (a) of Section 10-3. Any such draw shall be
21 offset against the licensee's outstanding money
22 transmission obligations. The drawn funds shall be
23 held in trust by the Secretary or the Secretary's
24 designated agent, to the extent authorized by law, as
25 agent for the benefit of the purchasers and holders of
26 the licensee's outstanding money transmission

1 obligations.

2 (C) The letter of credit shall provide that the
3 issuer of the letter of credit will honor, at sight, a
4 presentation made by the beneficiary to the issuer of
5 the following documents on or before the expiration
6 date of the letter of credit:

7 (i) the filing of a petition by or against the
8 licensee under the United States Bankruptcy Code,
9 11 U.S.C. Sections 101 through 110, as amended or
10 recodified from time to time, for bankruptcy or
11 reorganization;

12 (ii) the filing of a petition by or against
13 the licensee for receivership, or the commencement
14 of any other judicial or administrative proceeding
15 for its dissolution or reorganization;

16 (iii) the seizure of assets of a licensee by a
17 Secretary pursuant to an emergency order issued in
18 accordance with applicable law, on the basis of an
19 action, violation, or condition that has caused or
20 is likely to cause the insolvency of the licensee;
21 or

22 (iv) the beneficiary has received notice of
23 expiration or nonextension of a letter of credit
24 and the licensee failed to demonstrate to the
25 satisfaction of the beneficiary that the licensee
26 will maintain permissible investments in

1 accordance with subsection (a) of Section 10-3
2 upon the expiration or nonextension of the letter
3 of credit.

4 (D) The Secretary may designate an agent to serve
5 on the Secretary's behalf as beneficiary to a letter
6 of credit so long as the agent and letter of credit
7 meet requirements established by the Secretary. The
8 Secretary's agent may serve as agent for multiple
9 licensing authorities for a single irrevocable letter
10 of credit if the proceeds of the drawable amount for
11 the purposes of this Section are assigned to the
12 Secretary.

13 (E) The Secretary is authorized and encouraged to
14 participate in multistate processes designed to
15 facilitate the issuance and administration of letters
16 of credit, including, but not limited to, services
17 provided by the NMLS and State Regulatory Registry,
18 LLC.

19 (5) 100% of the surety bond or deposit provided for
20 under Section 10-2 that exceeds the average daily money
21 transmission liability in this State.

22 (b) Unless permitted by the Secretary by rule or by order
23 to exceed the limit as set forth herein, the following
24 investments are permissible under Section 10-3 to the extent
25 specified:

26 (1) receivables that are payable to a licensee from

1 its authorized delegates in the ordinary course of
2 business that are less than 7 days old, up to 50% of the
3 aggregate value of the licensee's total permissible
4 investments;

5 (2) of the receivables permissible under paragraph (1)
6 of this subsection (b), receivables that are payable to a
7 licensee from a single authorized delegate in the ordinary
8 course of business may not exceed 10% of the aggregate
9 value of the licensee's total permissible investments.

10 (3) the following investments are permissible up to
11 20% per category and combined up to 50% of the aggregate
12 value of the licensee's total permissible investments:

13 (A) a short-term, of up to 6 months, investment
14 bearing an eligible rating;

15 (B) commercial paper bearing an eligible rating;

16 (C) a bill, note, bond, or debenture bearing an
17 eligible rating;

18 (D) U.S. tri-party repurchase agreements
19 collateralized at 100% or more with U.S. government or
20 agency securities, municipal bonds, or other
21 securities bearing an eligible rating;

22 (E) money market mutual funds rated less than
23 "AAA" and equal to or higher than "A-" by S&P, or the
24 equivalent from any other eligible rating service; and

25 (F) a mutual fund or other investment fund
26 composed solely and exclusively of one or more

1 permissible investments listed in paragraphs (1)
2 through (3) of subsection (a).

3 (4) cash, including demand deposits, savings deposits,
4 and funds in such accounts held for the benefit of the
5 licensee's customers, at foreign depository institutions
6 are permissible up to 10% of the aggregate value of the
7 licensee's total permissible investments if the licensee
8 has received a satisfactory rating in its most recent
9 examination and the foreign depository institution:

10 (A) has an eligible rating;

11 (B) is registered under the Foreign Account Tax
12 Compliance Act;

13 (C) is not located in any country subject to
14 sanctions from the Office of Foreign Asset Control;
15 and

16 (D) is not located in a high-risk or
17 non-cooperative jurisdiction as designated by the
18 Financial Action Task Force.

19 ARTICLE XI. Enforcement

20 Section 11-1. Prohibited acts and practices for licensees.
21 It is a violation of this Act for a licensee, or other person
22 subject to this Act to:

23 (1) directly or indirectly employ any scheme, device,
24 or artifice to defraud or mislead any person, including,

1 but not limited to, engaging in bait and switch
2 advertising or sales practices;

3 (2) directly or indirectly engage in any unfair or
4 deceptive act or practice toward any person, including,
5 but not limited to, any false or deceptive statement about
6 fees or other terms of a money transmission or currency
7 exchange;

8 (3) directly or indirectly obtain property by fraud or
9 misrepresentation;

10 (4) knowingly make, publish, or disseminate any false,
11 deceptive, or misleading information in the provision of
12 money services;

13 (5) knowingly receive or take possession for personal
14 use of any property of any money services business, other
15 than in payment for services rendered, and with intent to
16 defraud, omit to make, or cause or direct to omit to make,
17 a full and true entry thereof in the books and accounts of
18 the business;

19 (6) make or concur in making any false entry, or omit
20 or concur in omitting any material entry, in the books or
21 accounts of the business;

22 (7) knowingly make or publish to the Director or the
23 Director's designee, or concur in making or publishing to
24 the Director or the Director's designee any written
25 report, exhibit, or statement of its affairs or pecuniary
26 condition containing any material statement which is

1 false, or omit or concur in omitting any statement
2 required by law to be contained therein;

3 (8) fail to make any report or statement lawfully
4 required by the Director or other public official.

5 (9) demonstrate by course of conduct, negligence or
6 incompetence in performing any act directly or indirectly
7 relating to licensed activity;

8 (10) engage in unsafe and unsound practices directly
9 or indirectly relating to licensed activity; or

10 (11) fail to comply with the provisions of this Act or
11 with any lawful order or agreement, rule, or regulations
12 made or issued under the provisions of this Act.

13 Section 11-2. Suspension and revocation of licenses.

14 (a) The Secretary may issue an order to suspend or revoke a
15 license of a licensee or order a licensee to revoke the
16 designation of an authorized delegate if:

17 (1) the licensee has failed to comply with any
18 provision of this Act, or any order, decision, finding,
19 rule, regulation or direction of the Secretary lawfully
20 made pursuant to the authority of this Act;

21 (2) the licensee does not cooperate with an
22 examination or investigation by the Secretary;

23 (3) the licensee engages in fraud, intentional
24 misrepresentation, or gross negligence;

25 (4) an authorized delegate is convicted of a violation

1 of a State or federal anti-money laundering statute, or
2 violates a rule adopted or an order issued under this Act,
3 as a result of the licensee's willful misconduct or
4 willful blindness;

5 (5) the competence, experience, character, or general
6 fitness of the licensee, authorized delegate, person in
7 control of a licensee, key individual, or responsible
8 person of the authorized delegate indicates that it is not
9 in the public interest to permit the person to provide
10 money transmission;

11 (6) the licensee engages in an unsafe or unsound
12 practice;

13 (7) the licensee is insolvent, suspends payment of its
14 obligations, or makes a general assignment for the benefit
15 of its creditors;

16 (8) the licensee does not remove an authorized
17 delegate after the Secretary issues and serves upon the
18 licensee a final order including a finding that the
19 authorized delegate has violated this Act;

20 (9) a fact or condition exists that, if it had existed
21 or had been known at the time the licensee applied for its
22 license, would have been ground for denying the
23 application;

24 (10) the licensee knowingly fails to make a report
25 required by this Act;

26 (11) the licensee fails to pay a judgment entered in

1 favor of a claimant, plaintiff, or credit in an action
2 arising out of the licensee's business regulated under
3 this Act within 30 days after the judgment becomes final
4 or within 30 days after the expiration or termination of a
5 stay of execution;

6 (12) the licensee has been convicted under the laws of
7 this State, another state, or the United States of a
8 felony or of a crime involving breach of trust or
9 dishonesty; or

10 (13) the licensee violates the Illinois Uniform
11 Revised Unclaimed Property Act.

12 (b) In determining whether a licensee is engaging in an
13 unsafe or unsound practice, the Secretary may consider the
14 size and condition of the licensee's money transmission, the
15 magnitude of the loss, the gravity of the violation of this
16 Act, and the previous conduct of the person involved.

17 (c) In every case in which a license is suspended or
18 revoked, the Secretary shall issue a formal written notice of
19 the suspension or revocation, setting forth the specific
20 reasons for the suspension or revocation of the license and
21 serve the licensee, either personally or by certified mail.
22 Service by certified mail shall be deemed completed when the
23 notice is deposited into U.S. Mail and the order of suspension
24 or revocation of a license shall take effect upon service of
25 the order.

26 (d) A licensee whose license has been suspended or revoked

1 by the Secretary under this Section may request a hearing, in
2 writing, within 10 days after the date of service. If a
3 licensee submits a timely request for a hearing, the order
4 shall be stayed until a final administrative order is entered
5 and the Secretary shall schedule a hearing unless otherwise
6 agreed to by the parties.

7 (e) The Secretary shall conduct hearings pursuant to this
8 Section and in accordance with 38 Ill. Adm. Code 100, as
9 amended or recodified from time to time.

10 Section 11-3. Suspension and revocation of authorized
11 delegates.

12 (a) The Secretary may issue an order to suspend or revoke
13 the designation of an authorized delegate, if the Secretary
14 finds that:

15 (1) the authorized delegate has failed to comply with
16 any provision of this Act or any order, decision, finding,
17 rule, regulation, or direction of the Secretary lawfully
18 made pursuant to the authority of this Act;

19 (2) the authorized delegate does not cooperate with an
20 examination or investigation by the Secretary;

21 (3) the authorized delegate engages in fraud,
22 intentional misrepresentation, or gross negligence;

23 (4) the authorized delegate is convicted of a
24 violation of a State or federal anti-money laundering
25 statute;

1 (5) the competence, experience, character, or general
2 fitness of the authorized delegate or a person in control
3 of the authorized delegate indicates that it is not in the
4 public interest to permit the authorized delegate to
5 provide money transmission; or

6 (6) the authorized delegate engages in an unsafe or
7 unsound practice.

8 (b) In determining whether an authorized delegate is
9 engaging in an unsafe or unsound practice, the Secretary may
10 consider the size and condition of the authorized delegate's
11 provision of money transmission, the magnitude of the loss,
12 the gravity of the violation of this Act or a rule adopted or
13 order issued under this Act, and the previous conduct of the
14 authorized delegate.

15 (c) In every case in which the designation of an
16 authorized delegate is suspended or revoked, the Secretary
17 shall issue a formal written notice of the suspension or
18 revocation, setting forth the specific reasons for the
19 suspension or revocation of the designation and serve the
20 authorized delegate, either personally or by certified mail.
21 Service by certified mail shall be deemed completed when the
22 notice is deposited into U.S. Mail and the order of suspension
23 or revocation of a license shall take effect upon service of
24 the order.

25 (d) An authorized delegate whose designation has been
26 suspended or revoked by the Secretary under this Section may

1 request a hearing, in writing, within 10 days after the date of
2 service. If an authorized delegate submits a timely request
3 for a hearing, the order shall be stayed until a final
4 administrative order is entered and the Secretary shall
5 schedule a hearing unless otherwise agreed to by the parties.

6 (e) The Secretary shall conduct hearings pursuant to this
7 Section and in accordance with 38 Ill. Adm. Code 100, as
8 amended or recodified from time to time.

9 Section 11-5. Consent orders; settlements.

10 (a) The Secretary may enter into a consent order or
11 settlement agreement at any time with a person to resolve a
12 matter arising under this Act, the rules adopted under this
13 Act, or order issued under this Act. A consent order or
14 settlement agreement must be signed by the person to whom it is
15 issued or by the person's authorized representative, and must
16 indicate agreement with the terms contained in the order. A
17 consent order or settlement agreement may provide that it does
18 not constitute an admission by a person that this Act or a rule
19 adopted or an order issued under this Act has been violated.

20 (b) Notwithstanding the issuance of a consent order or
21 settlement agreement, the Secretary may seek civil or criminal
22 penalties or compromise civil penalties concerning matter
23 encompassed by the consent order unless the consent order by
24 its terms expressly precludes the Secretary from doing so.

25 (c) The Secretary is authorized to compromise, settle, and

1 collect civil penalties and administrative penalties, as set
2 by rule, with any person for violations of this Act or of any
3 rule or order issued or adopted under this Act.

4 Section 11-6. Criminal penalties. A person who engages in
5 conduct requiring a license under this Act and fails to obtain
6 a license from the Secretary or knowingly makes a false
7 statement, misrepresentation, or false certification in an
8 application, financial statement, account record, report, or
9 other document filed or required to be maintained or filed
10 under this Act or who knowingly makes a false entry or omits a
11 material entry in a document is guilty of a Class 3 felony.

12 Section 11-7. Civil penalties. The Secretary may assess a
13 civil penalty against a person that violates this Act, a rule
14 adopted or an order issued under this Act in an amount not to
15 exceed \$1,000 per day for each day the violation is
16 outstanding, plus this State's costs and expenses for the
17 investigation and prosecution of the matter, including
18 reasonable attorney's fees. Each transaction in violation of
19 this Act or the rules adopted under this Act or issued under
20 this Act, for each day that a violation continues shall be a
21 separate offense.

22 Section 11-8. Unlicensed persons. Any person who, without
23 the required license, engages in conduct requiring a license

1 under this Act shall be liable to the Department in an amount
2 equal to the greater of (1) \$5,000 or (2) an amount of money
3 accepted for transmission plus an amount equal to 3 times the
4 amount accepted for transmission. The Department shall cause
5 any funds so recovered to be deposited into the TOMA Consumer
6 Protection Fund.

7 Section 11-9. Judicial review. All final administrative
8 decisions of the Department under this Act are subject to
9 judicial review under the Administrative Review Law and any
10 rules adopted under the Administrative Review Law.

11 ARTICLE XII. Miscellaneous Provisions

12 Section 12-1. Uniformity of application and construction.
13 In applying and construing this Act, consideration must be
14 given to the need to promote uniformity of the law with respect
15 to its subject matter among states that enact it.

16 Section 12-2. Severability. The provisions of this Act are
17 severable under Section 1.31 of the Statute on Statutes.

18 Section 12-3. Transition period.

19 (a) Licensees pursuant to the Transmitters of Money Act in
20 good standing on the effective date of this Act shall be
21 licensed under this Act upon the filing of and approval by the

1 Department of a renewal application in accordance with Section
2 5-6 and may continue to operate lawfully as a licensee in this
3 State unless and until their next renewal application after
4 the effective date is denied by the Department. An authorized
5 seller of licensee pursuant to the Transmitters of Money Act
6 in good standing as of the effective date shall become an
7 authorized delegate of a licensee upon the filing of and
8 approval by the Department of a renewal application by the
9 licensee in accordance with Section 5-6 and may continue to
10 operate lawfully in this State as an authorized delegate of a
11 licensee unless and until the licensee's next renewal
12 application after the effective date is denied by the
13 Department.

14 (b) A person licensed in this State to engage in the
15 business of money transmission and their authorized sellers
16 shall not be subject to the provisions of this Act, to the
17 extent that they conflict with the Transmitters of Money Act
18 or establish new requirements not imposed under the
19 Transmitters of Money Act, until the licensee renews its
20 current license or for 6 months after the effective date of
21 this Act, whichever is later, so long as they comply with the
22 Transmitters of Money Act and its implementing rules.

23 (c) Notwithstanding subsection (a), a licensee shall only
24 be required to amend its authorized delegate contracts for
25 contracts entered into or amended after the effective date of
26 this Act or the completion of any transition period

1 contemplated under subsection (b). Nothing herein shall be
2 construed as limiting an authorized delegate's obligations to
3 operate in full compliance with this Act as required by
4 subsection (c) of Section 8-1 after the time period set forth
5 in subsection (b).

6 (d) A person not required to be licensed pursuant to the
7 Transmitters of Money Act shall not be required to be licensed
8 and comply with this Act until January 1, 2026, unless the
9 Secretary extends the time by rule.

10 (e) Except as otherwise stated, this Act supersedes the
11 Transmitters of Money Act.

12 Section 12-4. TOMA Consumer Protection Fund.

13 (a) The special income-earning fund in the State treasury
14 is known as the TOMA Consumer Protection Fund.

15 (b) All moneys paid into the fund together with all
16 accumulated undistributed income thereon shall be held as a
17 special fund in the State treasury. The fund shall be used
18 solely for the purpose of providing restitution to consumers
19 who have suffered monetary loss arising out of a transaction
20 regulated by this Act.

21 (c) The fund shall be applied only to restitution when
22 restitution has been ordered by the Secretary. Restitution
23 shall not exceed the amount actually lost by the consumer. The
24 fund shall not be used for the payment of any attorney or other
25 fees.

1 (d) The fund shall be subrogated to the amount of the
2 restitution, and the Secretary shall request the Attorney
3 General to engage in all reasonable collection steps to
4 collect restitution from the party responsible for the loss
5 and reimburse the fund.

6 (e) Notwithstanding any other provisions of this Section,
7 the payment of restitution from the fund shall be a matter of
8 grace and not of right, and no consumer shall have any vested
9 rights in the fund as a beneficiary or otherwise. Before
10 seeking restitution from the fund, the consumer or beneficiary
11 seeking payment of restitution shall apply for restitution on
12 a form provided by the Secretary. The form shall include any
13 information the Secretary may reasonably require in order to
14 determine that restitution is appropriate.

15 (f) Notwithstanding any other provision of this Section,
16 moneys in the TOMA Consumer Protection Fund may be transferred
17 to the Professions Indirect Cost Fund, as authorized under
18 Section 2105-300 of the Department of Professional Regulation
19 Law of the Civil Administrative Code of Illinois.

20 Article 900. Amendatory provisions

21 Section 900-5. The Freedom of Information Act is amended
22 by changing Section 7.5 as follows:

23 (5 ILCS 140/7.5)

1 (Text of Section before amendment by P.A. 103-472)

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

5 (a) All information determined to be confidential
6 under Section 4002 of the Technology Advancement and
7 Development Act.

8 (b) Library circulation and order records identifying
9 library users with specific materials under the Library
10 Records Confidentiality Act.

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

17 (d) Information and records held by the Department of
18 Public Health and its authorized representatives relating
19 to known or suspected cases of sexually transmissible
20 disease or any information the disclosure of which is
21 restricted under the Illinois Sexually Transmissible
22 Disease Control Act.

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

25 (f) Firm performance evaluations under Section 55 of
26 the Architectural, Engineering, and Land Surveying

1 Qualifications Based Selection Act.

2 (g) Information the disclosure of which is restricted
3 and exempted under Section 50 of the Illinois Prepaid
4 Tuition Act.

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

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

15 (j) Information and data concerning the distribution
16 of surcharge moneys collected and remitted by carriers
17 under the Emergency Telephone System Act.

18 (k) Law enforcement officer identification information
19 or driver identification information compiled by a law
20 enforcement agency or the Department of Transportation
21 under Section 11-212 of the Illinois Vehicle Code.

22 (l) Records and information provided to a residential
23 health care facility resident sexual assault and death
24 review team or the Executive Council under the Abuse
25 Prevention Review Team Act.

26 (m) Information provided to the predatory lending

1 database created pursuant to Article 3 of the Residential
2 Real Property Disclosure Act, except to the extent
3 authorized under that Article.

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

11 (o) Information that is prohibited from being
12 disclosed under Section 4 of the Illinois Health and
13 Hazardous Substances Registry Act.

14 (p) Security portions of system safety program plans,
15 investigation reports, surveys, schedules, lists, data, or
16 information compiled, collected, or prepared by or for the
17 Department of Transportation under Sections 2705-300 and
18 2705-616 of the Department of Transportation Law of the
19 Civil Administrative Code of Illinois, the Regional
20 Transportation Authority under Section 2.11 of the
21 Regional Transportation Authority Act, or the St. Clair
22 County Transit District under the Bi-State Transit Safety
23 Act (repealed).

24 (q) Information prohibited from being disclosed by the
25 Personnel Record Review Act.

26 (r) Information prohibited from being disclosed by the

1 Illinois School Student Records Act.

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

4 (t) (Blank).

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

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

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

21 (w) Personally identifiable information which is
22 exempted from disclosure under subsection (g) of Section
23 19.1 of the Toll Highway Act.

24 (x) Information which is exempted from disclosure
25 under Section 5-1014.3 of the Counties Code or Section
26 8-11-21 of the Illinois Municipal Code.

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

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

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

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

17 (cc) Recordings made under the Law Enforcement
18 Officer-Worn Body Camera Act, except to the extent
19 authorized under that Act.

20 (dd) Information that is prohibited from being
21 disclosed under Section 45 of the Condominium and Common
22 Interest Community Ombudsperson Act.

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

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

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

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

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

9 (jj) Information and reports that are required to be
10 submitted to the Department of Labor by registering day
11 and temporary labor service agencies but are exempt from
12 disclosure under subsection (a-1) of Section 45 of the Day
13 and Temporary Labor Services Act.

14 (kk) Information prohibited from disclosure under the
15 Seizure and Forfeiture Reporting Act.

16 (ll) Information the disclosure of which is restricted
17 and exempted under Section 5-30.8 of the Illinois Public
18 Aid Code.

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

21 (nn) Information that is exempt from disclosure under
22 Section 70 of the Higher Education Student Assistance Act.

23 (oo) Communications, notes, records, and reports
24 arising out of a peer support counseling session
25 prohibited from disclosure under the First Responders
26 Suicide Prevention Act.

1 (pp) Names and all identifying information relating to
2 an employee of an emergency services provider or law
3 enforcement agency under the First Responders Suicide
4 Prevention Act.

5 (qq) Information and records held by the Department of
6 Public Health and its authorized representatives collected
7 under the Reproductive Health Act.

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

10 (ss) Data reported by an employer to the Department of
11 Human Rights pursuant to Section 2-108 of the Illinois
12 Human Rights Act.

13 (tt) Recordings made under the Children's Advocacy
14 Center Act, except to the extent authorized under that
15 Act.

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

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

21 (ww) Information that is exempt from disclosure under
22 Section 16.8 of the State Treasurer Act.

23 (xx) Information that is exempt from disclosure or
24 information that shall not be made public under the
25 Illinois Insurance Code.

26 (yy) Information prohibited from being disclosed under

1 the Illinois Educational Labor Relations Act.

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

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

6 (bbb) Information that is prohibited from disclosure
7 by the Illinois Police Training Act and the Illinois State
8 Police Act.

9 (ccc) Records exempt from disclosure under Section
10 2605-304 of the Illinois State Police Law of the Civil
11 Administrative Code of Illinois.

12 (ddd) Information prohibited from being disclosed
13 under Section 35 of the Address Confidentiality for
14 Victims of Domestic Violence, Sexual Assault, Human
15 Trafficking, or Stalking Act.

16 (eee) Information prohibited from being disclosed
17 under subsection (b) of Section 75 of the Domestic
18 Violence Fatality Review Act.

19 (fff) Images from cameras under the Expressway Camera
20 Act. This subsection (fff) is inoperative on and after
21 July 1, 2025.

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

25 (hhh) Information submitted to the Illinois State
26 Police in an affidavit or application for an assault

1 weapon endorsement, assault weapon attachment endorsement,
2 .50 caliber rifle endorsement, or .50 caliber cartridge
3 endorsement under the Firearm Owners Identification Card
4 Act.

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

7 (jjj) ~~(hhh)~~ Information exempt from disclosure under
8 Section 30 of the Insurance Data Security Law.

9 (kkk) ~~(iii)~~ Confidential business information
10 prohibited from disclosure under Section 45 of the Paint
11 Stewardship Act.

12 (mmm) Information prohibited from being disclosed
13 under Section 4-2 of the Uniform Money Transmission
14 Modernization Act.

15 (Source: P.A. 102-36, eff. 6-25-21; 102-237, eff. 1-1-22;
16 102-292, eff. 1-1-22; 102-520, eff. 8-20-21; 102-559, eff.
17 8-20-21; 102-813, eff. 5-13-22; 102-946, eff. 7-1-22;
18 102-1042, eff. 6-3-22; 102-1116, eff. 1-10-23; 103-8, eff.
19 6-7-23; 103-34, eff. 6-9-23; 103-142, eff. 1-1-24; 103-372,
20 eff. 1-1-24; 103-508, eff. 8-4-23; revised 9-5-23.)

21 (Text of Section after amendment by P.A. 103-472)

22 Sec. 7.5. Statutory exemptions. To the extent provided for
23 by the statutes referenced below, the following shall be
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7 records received by the Experimental Organ Transplantation
8 Procedures Board and any and all documents or other
9 records prepared by the Experimental Organ Transplantation
10 Procedures Board or its staff relating to applications it
11 has received.

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13 Public Health and its authorized representatives relating
14 to known or suspected cases of sexually transmissible
15 disease or any information the disclosure of which is
16 restricted under the Illinois Sexually Transmissible
17 Disease Control Act.

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

20 (f) Firm performance evaluations under Section 55 of
21 the Architectural, Engineering, and Land Surveying
22 Qualifications Based Selection Act.

23 (g) Information the disclosure of which is restricted
24 and exempted under Section 50 of the Illinois Prepaid
25 Tuition Act.

26 (h) Information the disclosure of which is exempted

1 under the State Officials and Employees Ethics Act, and
2 records of any lawfully created State or local inspector
3 general's office that would be exempt if created or
4 obtained by an Executive Inspector General's office under
5 that Act.

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

10 (j) Information and data concerning the distribution
11 of surcharge moneys collected and remitted by carriers
12 under the Emergency Telephone System Act.

13 (k) Law enforcement officer identification information
14 or driver identification information compiled by a law
15 enforcement agency or the Department of Transportation
16 under Section 11-212 of the Illinois Vehicle Code.

17 (l) Records and information provided to a residential
18 health care facility resident sexual assault and death
19 review team or the Executive Council under the Abuse
20 Prevention Review Team Act.

21 (m) Information provided to the predatory lending
22 database created pursuant to Article 3 of the Residential
23 Real Property Disclosure Act, except to the extent
24 authorized under that Article.

25 (n) Defense budgets and petitions for certification of
26 compensation and expenses for court appointed trial

1 counsel as provided under Sections 10 and 15 of the
2 Capital Crimes Litigation Act (repealed). This subsection
3 (n) shall apply until the conclusion of the trial of the
4 case, even if the prosecution chooses not to pursue the
5 death penalty prior to trial or sentencing.

6 (o) Information that is prohibited from being
7 disclosed under Section 4 of the Illinois Health and
8 Hazardous Substances Registry Act.

9 (p) Security portions of system safety program plans,
10 investigation reports, surveys, schedules, lists, data, or
11 information compiled, collected, or prepared by or for the
12 Department of Transportation under Sections 2705-300 and
13 2705-616 of the Department of Transportation Law of the
14 Civil Administrative Code of Illinois, the Regional
15 Transportation Authority under Section 2.11 of the
16 Regional Transportation Authority Act, or the St. Clair
17 County Transit District under the Bi-State Transit Safety
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23 (s) Information the disclosure of which is restricted
24 under Section 5-108 of the Public Utilities Act.

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1 team of experts under the Developmental Disability and
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7 Concealed Carry Act, unless otherwise authorized by the
8 Firearm Concealed Carry Act; and databases under the
9 Firearm Concealed Carry Act, records of the Concealed
10 Carry Licensing Review Board under the Firearm Concealed
11 Carry Act, and law enforcement agency objections under the
12 Firearm Concealed Carry Act.

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

16 (w) Personally identifiable information which is
17 exempted from disclosure under subsection (g) of Section
18 19.1 of the Toll Highway Act.

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

22 (y) Confidential information under the Adult
23 Protective Services Act and its predecessor enabling
24 statute, the Elder Abuse and Neglect Act, including
25 information about the identity and administrative finding
26 against any caregiver of a verified and substantiated

1 decision of abuse, neglect, or financial exploitation of
2 an eligible adult maintained in the Registry established
3 under Section 7.5 of the Adult Protective Services Act.

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

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

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

12 (cc) Recordings made under the Law Enforcement
13 Officer-Worn Body Camera Act, except to the extent
14 authorized under that Act.

15 (dd) Information that is prohibited from being
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17 Interest Community Ombudsperson Act.

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

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

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

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

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

4 (jj) Information and reports that are required to be
5 submitted to the Department of Labor by registering day
6 and temporary labor service agencies but are exempt from
7 disclosure under subsection (a-1) of Section 45 of the Day
8 and Temporary Labor Services Act.

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10 Seizure and Forfeiture Reporting Act.

11 (ll) Information the disclosure of which is restricted
12 and exempted under Section 5-30.8 of the Illinois Public
13 Aid Code.

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

16 (nn) Information that is exempt from disclosure under
17 Section 70 of the Higher Education Student Assistance Act.

18 (oo) Communications, notes, records, and reports
19 arising out of a peer support counseling session
20 prohibited from disclosure under the First Responders
21 Suicide Prevention Act.

22 (pp) Names and all identifying information relating to
23 an employee of an emergency services provider or law
24 enforcement agency under the First Responders Suicide
25 Prevention Act.

26 (qq) Information and records held by the Department of

1 Public Health and its authorized representatives collected
2 under the Reproductive Health Act.

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

5 (ss) Data reported by an employer to the Department of
6 Human Rights pursuant to Section 2-108 of the Illinois
7 Human Rights Act.

8 (tt) Recordings made under the Children's Advocacy
9 Center Act, except to the extent authorized under that
10 Act.

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

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

16 (ww) Information that is exempt from disclosure under
17 Section 16.8 of the State Treasurer Act.

18 (xx) Information that is exempt from disclosure or
19 information that shall not be made public under the
20 Illinois Insurance Code.

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

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

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

1 (bbb) Information that is prohibited from disclosure
2 by the Illinois Police Training Act and the Illinois State
3 Police Act.

4 (ccc) Records exempt from disclosure under Section
5 2605-304 of the Illinois State Police Law of the Civil
6 Administrative Code of Illinois.

7 (ddd) Information prohibited from being disclosed
8 under Section 35 of the Address Confidentiality for
9 Victims of Domestic Violence, Sexual Assault, Human
10 Trafficking, or Stalking Act.

11 (eee) Information prohibited from being disclosed
12 under subsection (b) of Section 75 of the Domestic
13 Violence Fatality Review Act.

14 (fff) Images from cameras under the Expressway Camera
15 Act. This subsection (fff) is inoperative on and after
16 July 1, 2025.

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

20 (hhh) Information submitted to the Illinois State
21 Police in an affidavit or application for an assault
22 weapon endorsement, assault weapon attachment endorsement,
23 .50 caliber rifle endorsement, or .50 caliber cartridge
24 endorsement under the Firearm Owners Identification Card
25 Act.

26 (iii) Data exempt from disclosure under Section 50 of

1 the School Safety Drill Act.

2 (jjj) ~~(hhh)~~ Information exempt from disclosure under
3 Section 30 of the Insurance Data Security Law.

4 (kkk) ~~(iii)~~ Confidential business information
5 prohibited from disclosure under Section 45 of the Paint
6 Stewardship Act.

7 (lll) ~~(iii)~~ Data exempt from disclosure under Section
8 2-3.196 of the School Code.

9 (mmm) Information prohibited from being disclosed
10 under Section 4-2 of the Uniform Money Transmission
11 Modernization Act.

12 (Source: P.A. 102-36, eff. 6-25-21; 102-237, eff. 1-1-22;
13 102-292, eff. 1-1-22; 102-520, eff. 8-20-21; 102-559, eff.
14 8-20-21; 102-813, eff. 5-13-22; 102-946, eff. 7-1-22;
15 102-1042, eff. 6-3-22; 102-1116, eff. 1-10-23; 103-8, eff.
16 6-7-23; 103-34, eff. 6-9-23; 103-142, eff. 1-1-24; 103-372,
17 eff. 1-1-24; 103-472, eff. 8-1-24; 103-508, eff. 8-4-23;
18 revised 9-5-23.)

19 Section 900-10. The State Finance Act is amended by adding
20 Section 5.1015 as follows:

21 (30 ILCS 105/5.1015 new)

22 Sec. 5.1015. The TOMA Consumer Protection Fund.

23 (205 ILCS 657/Act rep.)

1 Section 900-30. The Transmitters of Money Act is repealed.

2 Article 999.

3 Section 999-95. No acceleration or delay. Where this Act
4 makes changes in a statute that is represented in this Act by
5 text that is not yet or no longer in effect (for example, a
6 Section represented by multiple versions), the use of that
7 text does not accelerate or delay the taking effect of (i) the
8 changes made by this Act or (ii) provisions derived from any
9 other Public Act.

10 Section 999-99. Effective date. This Act takes effect upon
11 becoming law, except that the changes to the Transmitters of
12 Money Act take effect January 1, 2026.