

AN ACT concerning regulation.

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

Section 5. The Currency Exchange Act is amended by changing Sections 1, 2, 3, 3.3, 4, 4.1, 5, 6, 7, 9, 10, 11, 13, 14, 15, 17, 18, 19, 21, and 29.5 and by adding Section 4.1B as follows:

(205 ILCS 405/1) (from Ch. 17, par. 4802)

Sec. 1. Definitions; application of Act.

(a) For the purposes of this Act:

"Community currency exchange" means any person, firm, association, partnership, limited liability company, or corporation, except an ambulatory currency exchange as hereinafter defined, banks incorporated under the laws of this State and National Banks organized pursuant to the laws of the United States, engaged in the business or service of, and providing facilities for, cashing checks, drafts, money orders or any other evidences of money acceptable to such community currency exchange, for a fee or service charge or other consideration, or engaged in the business of selling or issuing money orders under his or their or its name, or any other money orders (other than United States Post Office money orders, Postal Telegraph Company money orders, or Western Union Telegraph Company money orders), or engaged in both such

businesses, or engaged in performing any one or more of the foregoing services.

"Controlling person" means an officer, director, or person owning or holding power to vote 10% or more of the outstanding voting securities of a licensee or the power to vote the securities of another controlling person of the licensee. For the purposes of determining the percentage of a licensee controlled by a controlling person, the person's interest shall be combined with the interest of any other person controlled, directly or indirectly, by that person or by a spouse, parent, or child of that person.

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

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

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

"Ambulatory Currency Exchange" means any person, firm, association, partnership, limited liability company, or corporation, except banks organized under the laws of this State and National Banks organized pursuant to the laws of the United States, engaged in one or both of the foregoing businesses, or engaged in performing any one or more of the foregoing services, solely on the premises of the employer

whose employees are being served.

"Licensee" means any person, firm, association, partnership, limited liability company, or corporation issued one or more licenses by the Secretary under this Act.

"Licensed location" means the premises at which a licensee is authorized to operate a community currency exchange to offer to the public services, products, or activities under this Act.

"Location" when used with reference to an ambulatory currency exchange means the premises of the employer whose employees are or are to be served by an ambulatory currency exchange.

"Principal office" means the physical business address, which shall not be a post office box, of a licensee at which the (i) Department may contact the licensee and (ii) records required under this Act are maintained.

"Secretary" means the Secretary of Financial and Professional Regulation or a person authorized by the Secretary or this Act to act in the Secretary's stead. All references in this Act to the Secretary shall be deemed to include the Director, as a person authorized by the Secretary or this Act to assume responsibility for the oversight of the functions of the Department relative to the regulatory supervision of community currency exchanges and ambulatory currency exchanges under this Act.

(b) Nothing in this Act shall be held to apply to any person, firm, association, partnership, limited liability

company, or corporation who is engaged primarily in the business of transporting for hire, bullion, currency, securities, negotiable or non-negotiable documents, jewels or other property of great monetary value and who in the course of such business and only as an incident thereto, cashes checks, drafts, money orders or other evidences of money directly for, or for the employees of and with the funds of and at a cost only to, the person, firm, association, partnership, limited liability company, or corporation for whom he or it is then actually transporting such bullion, currency, securities, negotiable or non-negotiable documents, jewels, or other property of great monetary value, pursuant to a written contract for such transportation and all incidents thereof, nor shall it apply to any person, firm, association, partnership, limited liability company, or corporation engaged in the business of selling tangible personal property at retail who, in the course of such business and only as an incident thereto, cashes checks, drafts, money orders or other evidences of money.

(Source: P.A. 97-315, eff. 1-1-12.)

(205 ILCS 405/2) (from Ch. 17, par. 4803)

Sec. 2. License required; violation; injunction. No person, firm, association, partnership, limited liability company, or corporation shall engage in the business of a community currency exchange or in the business of an ambulatory

currency exchange without first securing a license to do so from the Secretary.

Any licensee ~~person, firm, association, partnership, limited liability company, or corporation~~ issued a license to ~~do so by the Secretary~~ shall have authority to operate one or more ~~a~~ community currency exchanges ~~exchange~~ or ~~an~~ ambulatory currency exchanges ~~exchange~~, as defined in Section 1 of this Act hereof.

Any licensee ~~person, firm, association, partnership, limited liability company, or corporation~~ licensed as and engaged in the business of a community currency exchange shall at a minimum offer the service of cashing checks, or drafts, or money orders, or any other evidences of money acceptable to such currency exchange.

No ambulatory currency exchange and no community currency exchange shall be conducted on any street, sidewalk or highway used by the public, and no license shall be issued therefor. An ambulatory currency exchange shall be required to and shall secure a license or licenses for the conduct of its business at each and every location served by it, as provided in Section 4 hereof, whether the services at any such location are rendered for or without a fee, service charge or other consideration. Each plant or establishment is deemed a separate location. No license issued for the conduct of its business at one location shall authorize the conduct of its business at any other location, nor shall any license authorize the rendering of

services by an ambulatory currency exchange to persons other than the employees of the employer named therein. If the employer named in such license shall move his business from the address therein set forth, such license shall thereupon expire, unless the Secretary has approved a change of address for such location, as provided in Section 13.

Any person, firm, association, partnership, limited liability company, or corporation that violates this Section shall be guilty of a Class A misdemeanor, and the Attorney General or the State's Attorney of the county in which the violation occurs shall file a complaint in the Circuit Court of the county to restrain the violation.

(Source: P.A. 97-315, eff. 1-1-12.)

(205 ILCS 405/3) (from Ch. 17, par. 4804)

Sec. 3. Powers of community currency exchanges. No community or ambulatory currency exchange shall be permitted to accept money or evidences of money as a deposit to be returned to the depositor or upon the depositor's order. No community or ambulatory currency exchange shall be permitted to act as bailee or agent for persons, firms, partnerships, limited liability companies, associations or corporations to hold money or evidences thereof or the proceeds therefrom for the use and benefit of the owners thereof, and deliver such money or proceeds of evidence of money upon request and direction of such owner or owners. Nothing in this Act shall prevent a

currency exchange from accepting any check without regard to the date imprinted on the check, subject to Section 4-404 of the Uniform Commercial Code, as long as the check is immediately cashed, deposited, and processed in the ordinary course of business. A community or ambulatory currency exchange is permitted to engage in, and charge a fee for, the following activities, either directly or as a third-party agent: (i) cashing of checks, drafts, money orders, or any other evidences of money acceptable to the currency exchange, (ii) selling or issuing money orders, (iii) obtaining reports, certificates, governmental permits, licenses, and vital statistics and the preparation of necessary applications to obtain the same, (iv) the sale and distribution of bond cards, (v) obtaining, distributing, providing, or selling: State vehicle registration renewals, title transfers and tax remittance forms, city vehicle licenses, and other governmental services, (vi) photocopying and sending and receiving facsimile transmissions, (vii) notary service either by the proprietor of the currency exchange or any currency exchange employee, authorized by the State to act as a notary public, (viii) issuance of travelers checks obtained by the currency exchange from a banking institution under a trust receipt, (ix) accepting for payment utility and other companies' bills, (x) issuance and acceptance of any third-party debit, credit, gift, or stored value card and loading or unloading, (xi) on-premises automated cash dispensing machines, (xii) sale of rolled coin

and paper money, (xiii) exchange of foreign currency through a third-party, (xiv) sale of cards, passes, or tokens for public transit, (xv) providing mail box service, (xvi) sale of phone cards and other pre-paid telecommunication services, (xvii) on-premises public telephone, (xviii) sale of U.S. postage, (xix) money transmission through a licensed third-party money transmitter, (xx) sale of candy, gum, other packaged foods, soft drinks, and other products and services by means of on-premises vending machines and self-service automated terminals, ~~and~~ (xxi) transmittal of documents or information upon the request of a consumer, (xxii) providing access to consumers of third-party travel reservation and ticketing services, and (xxiii) other products and services as may be approved by the Secretary. A currency exchange may offer, for no charge and with no required transaction, advertising upon and about the premises and distribution to consumers of advertising and other materials of any legal product or service that is not misleading to the public. Any community or ambulatory currency exchange may enter into agreements with any utility and other companies to act as the companies' agent for the acceptance of payment of utility and other companies' bills without charge to the customer and, acting under such agreement, may receipt for payments in the names of the utility and other companies. Any community or ambulatory currency exchange may also receive payment of utility and other companies' bills for remittance to companies with which it has

no such agency agreement and may charge a fee for such service but may not, in such cases, issue a receipt for such payment in the names of the utility and other companies. However, funds received by currency exchanges for remittance to utility and other companies with which the currency exchange has no agency agreement shall be forwarded to the appropriate utility and other companies by the currency exchange before the end of the next business day.

For the purpose of this Section, "utility and other companies" means any utility company and other company with which the currency exchange may or may not have a contractual agreement and for which the currency exchange accepts payments from consumers for remittance to the utility or other company for the payment of bills.

(Source: P.A. 97-315, eff. 1-1-12.)

(205 ILCS 405/3.3) (from Ch. 17, par. 4807)

Sec. 3.3. Additional public services.

(a) Nothing in this Act shall prevent the Secretary from authorizing a currency exchange, group of currency exchanges, or association of currency exchanges to render additional services to the public if the services are consistent with the provisions of this Act, are within its meaning, are in the best interest of the public, and benefit the general welfare. A currency exchange, group of currency exchanges, or association of currency exchanges must request, in writing, the Secretary's

approval of the additional service prior to rendering such additional service to the public. Any approval under this Section shall be deemed an approval for all currency exchanges. Any currency exchange wishing to provide an additional service previously approved by the Secretary must provide written notice, on a form provided by the Department and available on its website, to the Secretary 30 days prior to offering the approved additional service to the public. The Secretary may charge an additional service investigation fee of \$500 per application for a new additional service request. The additional service request shall be on a form provided by the Department and available on the Department's website. Within 15 days after receipt by the Department of an additional service request, the Secretary shall examine the additional service request for completeness and notify the requester of any defect. The requester must remedy the defect within 10 days after the mailing of the notification of the defect by the Secretary. Failure to remedy the defect within such time will void the additional service request. If the Secretary determines that the additional service request is complete, the Secretary shall have 60 business days to approve or deny the additional service request. If the additional service request is denied, the Secretary shall send by United States mail notice of the denial to the requester at the address set forth in the additional service request, together with the reasons therefor stated with particularity that the additional service

is not consistent with the provisions of this Act or in the best interest of the public and does not benefit the general welfare. If an additional service request is denied, the requester may, within 10 days after receipt of the denial, make a written request to the Secretary for a hearing on the additional service request denial. The hearing shall be set for a date after the receipt by the Secretary of the request for a hearing, and written notice of the time and place of the hearing shall be mailed to the requester no later than 15 days before the date of the hearing. The hearing shall be scheduled for a date within 56 days after the date of the receipt of the request for a hearing. The requester shall pay the actual cost of making the transcript of the hearing prior to the Secretary's issuing his or her decision following the hearing. If the Secretary denies the request for a new additional service, a currency exchange shall not offer the new additional service until a final administrative order has been entered permitting a currency exchange to offer the service. The Secretary's decision may be subject to review as provided in Section 22.01 of this Act. If the Secretary revokes a previously approved authorization for an additional service request, the Secretary shall provide written notice to all affected currency exchange licensees, together with the reasons therefor stated with particularity, that the additional service is no longer consistent with the provisions of this Act or in the best interest of the public and does not

benefit the general welfare. Upon receipt of the revocation notice, a currency exchange licensee, group of currency exchange licensees, or association of currency exchanges shall have 10 days to make a written request to the Secretary for a hearing, and the Department shall have 30 business days to schedule a future hearing. Written notice of the time and place of the hearing shall be mailed to the licensee no later than 10 business days before the date of the hearing. The licensee shall pay the actual cost of making the transcript prior to the Secretary's issuing his or her decision following the hearing. The Secretary's decision is subject to review as provided in Section 22.01 of this Act.

(b) (Blank).

(c) If the Secretary revokes authorization for a previously approved additional service, the currency exchange may continue to offer the additional service until a final administrative order has been entered revoking the licensee's previously approved authorization.

(Source: P.A. 97-315, eff. 1-1-12; 97-1111, eff. 8-27-12.)

(205 ILCS 405/4) (from Ch. 17, par. 4808)

Sec. 4. License application; contents; fees. A licensee shall obtain a separate license for each licensed location. Application for such license shall be in writing under oath and in the form prescribed and furnished by the Secretary. Each application shall contain the following:

(a) The applicant's full name and address (both of residence and place of business) if the applicant is a natural person, ~~of the applicant,~~ and if the applicant is a partnership, limited liability company, or association, of every member thereof, and the name and principal office business address if the applicant is a corporation;

(b) The county and municipality, with street and number, if any, where the community currency exchange is to be conducted, if the application is for a community currency exchange license;

(c) If the application is for an ambulatory currency exchange license, the name and address of the employer at each location to be served by it; and

(d) In the case of a licensee's initial license application, the ~~The~~ applicant's occupation or profession; a detailed statement of the applicant's business experience for the 10 years immediately preceding the application; a detailed statement of the applicant's finances; the applicant's present or previous connection with any other currency exchange; whether the applicant has ever been involved in any civil or criminal litigation, and the material facts pertaining thereto; whether the applicant has ever been committed to any penal institution or admitted to an institution for the care and treatment of mentally ill persons; and the nature of applicant's occupancy of the premises to be licensed where the

application is for a community currency exchange license. If the applicant is a partnership, the information specified herein shall be required of each partner. If the applicant is a corporation or limited liability company, the said information shall be required of each controlling person ~~officer, director and stockholder~~ thereof along with disclosure of their ownership interests. ~~If the applicant is a limited liability company, the information required by this Section shall be provided with respect to each member and manager along with disclosure of their ownership interests.~~

A licensee's initial community currency exchange license application shall be accompanied by a fee of ~~\$500, prior to January 1, 2012. After January 1, 2012 the fee shall be \$750. After January 1, 2014 the fee shall be \$1,000~~ for the cost of investigating the applicant. A licensee's application for licenses for additional licensed locations shall be accompanied by a fee of \$1,000 for each additional license. If the ownership of a licensee or licensed location changes, in whole or in part, a new application must be filed pursuant to this Section along with a \$500 fee if the licensee's ownership interests have been transferred or sold to a new person or entity or a fee of \$300 if the licensee's ownership interests have been transferred or sold to a current holder or holders of the licensee's ownership interests. When the application for a community currency exchange license has been approved by the

Secretary and the applicant so advised, an additional sum of \$400 as an annual license fee for a period terminating on the last day of the current calendar year shall be paid to the Secretary by the applicant; provided, that the license fee for an applicant applying for such a license after July 1st of any year shall be \$200 for the balance of such year. Upon receipt of a community currency exchange license application, the Secretary shall examine the application for completeness and notify the applicant in writing of any defect within 20 days after receipt. The applicant must remedy the defect within 10 days after the mailing of the notification of the defect by the Secretary. Failure to timely remedy the defect will void the application. Once the Secretary determines that the application is complete, the Secretary shall have 90 business days to approve or deny the application. If the application is denied, the Secretary shall send by United States mail notice of the denial to the applicant at the address set forth in the application. If an application is denied, the applicant may, within 10 days after the date of the notice of denial, make a written request to the Secretary for a hearing on the application. The hearing shall be set for a date after the receipt by the Secretary of the request for a hearing, and written notice of the time and place of the hearing shall be mailed to the applicant no later than 15 days before the date of the hearing. The hearing shall be scheduled for a date within 56 days after the date of the receipt of the request for

a hearing. The applicant shall pay the actual cost of making the transcript of the hearing prior to the Secretary's issuing his or her decision. The Secretary's decision is subject to review as provided in Section 22.01 of this Act.

An application for an ambulatory currency exchange license shall be accompanied by a fee of \$100, which fee shall be for the cost of investigating the applicant. An approved applicant shall not be required to pay the initial investigation fee of \$100 more than once. When the application for an ambulatory currency exchange license has been approved by the Secretary, and such applicant so advised, such applicant shall pay an annual license fee of \$25 for each and every location to be served by such applicant; provided that such license fee for an approved applicant applying for such a license after July 1st of any year shall be \$12 for the balance of such year for each and every location to be served by such applicant. Such an approved applicant for an ambulatory currency exchange license, when applying for a license with respect to a particular location, shall file with the Secretary, at the time of filing an application, a letter of memorandum, which shall be in writing and under oath, signed by the owner or authorized representative of the business whose employees are to be served; such letter or memorandum shall contain a statement that such service is desired, and that the person signing the same is authorized so to do. The Secretary shall thereupon verify the authenticity of the letter or memorandum and the

authority of the person who executed it, to do so.

The Department shall have 45 business days to approve or deny a ~~currency exchange~~ licensee's request to purchase another currency exchange.

(Source: P.A. 97-315, eff. 1-1-12; 97-1111, eff. 8-27-12.)

(205 ILCS 405/4.1) (from Ch. 17, par. 4809)

Sec. 4.1. Application; investigation; community need.

(a) The General Assembly finds and declares that community currency exchanges provide important and vital services to Illinois citizens, that the number of community currency exchanges should be limited in accordance with the needs of the communities they are to serve, and that it is in the public interest to promote and foster the community currency exchange business and to insure the financial stability thereof.

(b) Upon receipt of an application for a license for a community currency exchange, the Secretary shall cause an investigation to determine: ~~of~~

(1) the need of the community for the establishment of a community currency exchange at the location specified in the application; and

(2) the effect that granting the license will have on the financial stability of other community currency exchanges that may be serving the community in which the business of the applicant is proposed to be conducted.

(c) "Community", as used in this Act, means a locality

where there may or can be available to the people thereof the services of a community currency exchange reasonably accessible to them.

(d) If the issuance of a license to engage in the community currency exchange business at the location specified will not promote the needs and the convenience and advantage of the community in which the business of the applicant is proposed to be conducted, then the application shall be denied.

(e) As a part of the investigation, the Secretary shall, within 15 business days after receipt of an application, notify in writing all currency exchanges located within a one-half mile radius of the proposed new currency exchange in any municipality with a population of 500,000 or more or located within a one-mile radius of the proposed new currency exchange outside a municipality with a population of 500,000 or more of the application and the proposed location. Within 15 business days after the notice, any currency exchange as described in paragraph (2) of subsection (b) of this Section may notify the Secretary it intends to protest the application. If the currency exchange intends to protest the application, then the currency exchange shall, within 30 days after notifying the Secretary, provide the Secretary with any information requested to substantiate that granting the license would have a material and negative effect upon the financial stability of the existing currency exchange or would not promote the needs and the convenience and advantage of the community. Once the

investigation is completed, the Secretary shall, within 15 business days thereafter, notify any currency exchange as described in paragraph (2) of subsection (b) of this Section of the determination to approve or deny the application. The determination shall sufficiently detail the facts that led to the determination.

(Source: P.A. 97-315, eff. 1-1-12.)

(205 ILCS 405/4.1B new)

Sec. 4.1B. Anti-money laundering requirements.

(a) Every licensee shall comply with all State and federal laws, rules, and regulations relating to the detection and prevention of money laundering, including, as applicable, 31 C.F.R. 103.20, 103.22, 103.23, 103.27, 103.28, 103.29, 103.33, 103.37, and 103.41.

(b) Every licensee shall maintain an anti-money laundering program in accordance with 31 C.F.R. 103.125. The program shall be reviewed and updated as necessary to ensure that the program continues to be effective in detecting and deterring money laundering activities.

(205 ILCS 405/5) (from Ch. 17, par. 4812)

Sec. 5. Bond; condition; amount.

(a) Before any license shall be issued to a licensee to operate a community currency exchange the applicant shall file annually with and have approved by the Secretary a surety bond,

issued by a bonding company authorized to do business in this State in the principal sum of \$25,000 for each licensed location, up to a maximum aggregate principal sum of \$350,000 for each licensee regardless of the number of licenses held. Such bond shall run to the Secretary and shall be for the benefit of any creditors of such licensee ~~currency exchange~~ for any liability incurred by the licensee ~~currency exchange~~ on any money orders, including any fees and penalties incurred by the remitter should the money order be returned unpaid, issued or sold by the licensee in the ordinary course of its business ~~currency exchange~~ and for any liability incurred by the licensee ~~currency exchange~~ for any sum or sums due to any payee or endorsee of any check, draft or money order left with the licensee in the ordinary course of its business ~~currency exchange~~ for collection, and for any liability to the public incurred by the licensee in the ordinary course of its business ~~currency exchange~~ in connection with the rendering of any of the services referred to in Section 3 of this Act.

To protect the public and allow for the effective underwriting of bonds, the surety bond shall not cover money orders issued and other liabilities incurred by a currency exchange for its own account or that of its controlling persons, including money orders issued or liabilities incurred by the currency exchange to obtain cash for its own operations, to pay for the currency exchange's own bills or liabilities or that of its controlling persons, or to obtain things of value

for the currency exchange or its controlling persons, regardless of whether such things of value are used in the currency exchange's operations or sold by the currency exchange.

From time to time the Secretary may determine the amount of liabilities as described herein and shall require the licensee to file a bond in an additional sum if the same is determined to be necessary in accordance with the requirements of this Section. In no case shall the bond be less than the initial \$25,000, nor more than the outstanding liabilities.

(b) In lieu of the surety bond requirements of subsection (a), a community currency exchange licensee may submit evidence satisfactory to the Secretary that the community currency exchange licensee is covered by a blanket bond that covers multiple licensees who are members of a statewide association of community currency exchanges or licensees. Such a blanket bond must be issued by a bonding company authorized to do business in this State and in a principal aggregate sum of not less than \$3,000,000 as of May 1, 2012, and not less than \$4,000,000 as of May 1, 2014.

(c) An ambulatory currency exchange may sell or issue money orders at any location with regard to which it is issued a license pursuant to this Act, including existing licensed locations, without the necessity of a further application or hearing and without regard to any exceptions contained in existing licenses, upon the filing with the Secretary of a

surety bond approved by the Secretary and issued by a bonding company or insurance company authorized to do business in Illinois, in the principal sum of \$100,000. Such bond may be a blanket bond covering all locations at which the ambulatory currency exchange may sell or issue money orders, and shall run to the Secretary for the use and benefit of any creditors of such ambulatory currency exchange for any liability incurred by the ambulatory currency exchange on any money orders issued or sold by it to the public in the ordinary course of its business. Such bond shall be renewed annually. If after the expiration of one year from the date of approval of such bond by the Secretary, it shall appear that the average amount of such liability during the year has exceeded \$100,000, the Secretary shall require the licensee to furnish a bond for the ensuing year, to be approved by the Secretary, for an additional principal sum of \$1,000 for each \$1,000 of such liability or fraction thereof in excess of the original \$100,000, except that the maximum amount of such bond shall not be required to exceed \$250,000.

(Source: P.A. 97-315, eff. 1-1-12.)

(205 ILCS 405/6) (from Ch. 17, par. 4813)

Sec. 6. Insurance against loss.

(a) Every applicant for a license hereunder shall, after his application for a license has been approved, file with and have approved by the Secretary, a policy or policies of

insurance issued by an insurance company or indemnity company authorized to do business under the law of this State, which shall insure the applicant against loss by theft, burglary, robbery or forgery in a principal sum as hereinafter provided; if the average amount of cash and liquid funds to be kept on hand at the licensed location ~~in the office of the community currency exchange~~ during the year will not be in excess of \$10,000 the policy or policies shall be in the principal sum of \$10,000. If such average amount will be in excess of \$10,000, the policy or policies shall be for an additional principal sum of \$500 for each \$1,000 or fraction thereof of such excess over the original \$10,000. From time to time, the Secretary may determine the amount of cash and liquid funds on hand at the licensed location ~~in the office of any community currency exchange~~ and shall require the licensee to submit additional policies if the same are determined to be necessary in accordance with the requirements of this Section.

However, any licensee ~~community currency exchange licensed under this Act~~ may meet the insurance requirements of this subsection (a) by submitting evidence satisfactory to the Secretary that the licensee is covered by a blanket insurance policy that covers multiple licensees. The blanket insurance policy: (i) shall insure the licensee against loss by theft, robbery, or forgery; (ii) shall be issued by an insurance company authorized to do business in this State; and (iii) shall be in the principal sum of an amount equal to the maximum

amount required under this Section for any one licensee covered by the insurance policy.

Any such policy or policies, with respect to forgery, may carry a condition that the community currency exchange assumes the first \$1,000 of each claim thereunder.

(b) Before an ambulatory currency exchange shall sell or issue money orders, it shall file with and have approved by the Secretary, a policy or policies of insurance issued by an insurance company or indemnity company authorized to do business under the laws of this State, which shall insure such ambulatory currency exchange against loss by theft, burglary, robbery, forgery or embezzlement in the principal sum of not less than \$500,000. If the average amount of cash and liquid funds to be kept on hand during the year will exceed \$500,000, the policy or policies shall be for an additional principal sum of \$500 for each \$1,000 or fraction thereof in excess of \$500,000. From time to time the Secretary may determine the amount of cash and liquid funds kept on hand by an ambulatory currency exchange and shall require it to submit such additional policies as are determined to be required within the limits of this Section. No ambulatory currency exchange subject to this Section shall be required to furnish more than one policy of insurance if the policy furnished insures it against the foregoing losses at all locations served by it.

Any such policy may contain a condition that the insured assumes a portion of the loss, provided the insured shall file

with such policy a sworn financial statement indicating its ability to act as self-insurer in the amount of such deductible portion of the policy without prejudice to the safety of any funds belonging to its customers. If the Secretary is not satisfied as to the financial ability of the ambulatory currency exchange, he may require it to deposit cash or United States Government Bonds in the amount of part or all of the deductible portion of the policy.

(Source: P.A. 97-315, eff. 1-1-12.)

(205 ILCS 405/7) (from Ch. 17, par. 4814)

Sec. 7. Available funds; minimum amount. Each licensee ~~community currency exchange~~ shall have, at all times, a minimum of \$5,000 for each currency exchange license it holds of its own cash funds available for the uses and purposes of its currency exchange business and said minimum sum shall be exclusive of and in addition to funds received for exchange or transfer; and in addition thereto each such licensee shall at all times have on hand an amount of liquid funds sufficient to pay on demand all outstanding money orders issued by it. Whenever a licensee holds more than one community currency exchange license, the aggregate of the minimum liquid funds required under this Section 7 for all of such licensee's licensed locations may be held by the licensee in a single account in the licensee's name, provided that the total liquid funds equals a minimum of \$5,000 multiplied by the number of

licenses held by that licensee.

In the event a receiver is appointed in accordance with Section 15.1 of this Act, and the Secretary determines that the business of the currency exchange should be liquidated, and if it shall appear that the said minimum sum was not on hand or available at the time of the appointment of the receiver, then the receiver shall have the right to recover in any court of competent jurisdiction from the owner or owners of such currency exchange, or from the stockholders and directors thereof if such currency exchange was operated by a corporation, or from the members if the currency exchange was operated as a limited liability company, said sum or that part thereof which was not on hand or available at the time of the appointment of such receiver. Nothing contained in this Section shall limit or impair the liability of any bonding or insurance company on any bond or insurance policy relating to such community currency exchange issued pursuant to the requirements of this Act, nor shall anything contained herein limit or impair such other rights or remedies as the receiver may otherwise have.

(Source: P.A. 97-315, eff. 1-1-12.)

(205 ILCS 405/9) (from Ch. 17, par. 4816)

Sec. 9. No community or ambulatory currency exchange shall issue tokens to be used in lieu of money for the purchase of goods or services from any enterprise, ~~except that currency~~

~~exchanges may engage in the distribution of food stamps as authorized by Section 3.2.~~

(Source: P.A. 80-439.)

(205 ILCS 405/10) (from Ch. 17, par. 4817)

Sec. 10. Qualifications of applicant; denial of license; review. The applicant or ~~, and~~ its controlling persons ~~officers, directors and stockholders, if a corporation, and its managers and members, if a liability company,~~ shall be vouched for by 2 reputable citizens of this State setting forth that the individual mentioned is (a) personally known to them to be trustworthy and reputable, (b) that he has business experience qualifying him to competently conduct, operate, own or become associated with a currency exchange, (c) that he has a good business reputation and is worthy of a license. Thereafter, the Secretary shall, upon approval of the application filed with him, issue to the applicant, qualifying under this Act, a license to operate a currency exchange. If it is a license for a community currency exchange, the same shall be valid only at the place of business specified in the application. If it is a license for an ambulatory currency exchange, it shall entitle the applicant to operate only at the location or locations specified in the application, provided the applicant shall secure separate and additional licenses for each of such locations. Such licenses shall remain in full force and effect, until they are surrendered by the licensee, or revoked, or

expire, as herein provided. If the Secretary shall not so approve, he shall not issue such license or licenses and shall notify the applicant of such denial, retaining the full investigation fee to cover the cost of investigating the community currency exchange applicant. The Secretary shall approve or deny every application hereunder within 90 days from the filing of a complete application; except that in respect to an application by an approved ambulatory currency exchange for a license with regard to a particular location to be served by it, the same shall be approved or denied within 20 days from the filing thereof. If the application is denied, the Secretary shall send by United States mail notice of such denial to the applicant at the address set forth in the application.

If an application is denied, the applicant may, within 10 days from the date of the notice of denial, make written request to the Secretary for a hearing on the application, and the Secretary shall set a time and place for the hearing. The hearing shall be set for a date after the receipt by the Secretary of the request for hearing, and written notice of the time and place of the hearing shall be mailed to the applicant at least 15 days before the date of the hearing. The applicant shall pay the actual cost of making the transcript of the hearing prior to the Secretary's issuing his decision following the hearing. If, following the hearing, the application is denied, the Secretary shall, within 20 days thereafter prepare and keep on file in his office a written order of denial

thereof, which shall contain his findings with respect thereto and the reasons supporting the denial, and shall send by United States Mail a copy thereof to the applicant at the address set forth in the application, within 5 days after the filing of such order. A review of any such decision may be had as provided in Section 22.01 of this Act.

(Source: P.A. 97-315, eff. 1-1-12.)

(205 ILCS 405/11) (from Ch. 17, par. 4819)

Sec. 11. Such license, if issued for a community currency exchange, shall state the name of the licensee and the address ~~of at which the licensed location business is to be conducted.~~ Such license, or ~~and~~ its annual renewal, shall be kept conspicuously posted in the licensed location ~~place of business of the licensee~~ and shall not be transferable or assignable. If issued for an ambulatory currency exchange, it shall so state, and shall state the name and principal office ~~office~~ address of the licensee, and the name and address of the location or locations to be served by the licensee, and shall not be transferable and assignable.

(Source: P.A. 97-315, eff. 1-1-12.)

(205 ILCS 405/13) (from Ch. 17, par. 4821)

Sec. 13. No more than one place of business shall be maintained under the same community currency exchange license, but the Secretary may issue more than one license to the same

licensee upon compliance with the provisions of this Act governing an original issuance of a license, for each new license.

Whenever a community currency exchange or an ambulatory currency exchange shall wish to change its name in its license, it shall file an application for approval thereof with the Secretary, and if the change is approved by the Secretary he shall attach to the license, in writing, a rider stating the licensee's new name.

If an ambulatory currency exchange has serviced a licensed location for 2 years or longer and the employer whose employees are served at that location has moved his place of business, the currency exchange may continue its service to the employees of that employer at the new address of that employer's place of business by filing a notice of the change of address with the Secretary and by relinquishing its license to conduct its business at the employer's old address upon receipt of a license to conduct its business at the employer's new address. Nothing in this Act shall preclude or prevent an ambulatory currency exchange from filing an application to conduct its business at the old address of an employer who moved his place of business after the ambulatory currency exchange receives a license to conduct its business at the employer's new address through the filing of a notice of its change of address with the Secretary and the relinquishing of its license to conduct its business at the employer's old address.

Whenever a currency exchange wishes to make any other change in the address set forth in any of its licenses, it shall apply to the Secretary for approval of such change of address. Every application for approval of a change of address shall be treated by the Secretary in the same manner as is otherwise provided in this Act for the treatment of proposed places of business or locations as contained in new applications for licenses; and if any fact or condition then exists with respect to the application for change of address, which fact or condition would otherwise authorize denial of a new application for a license because of the address of the proposed location or place of business, then such application for change of address shall not be approved. Whenever a community currency exchange wishes to sell its physical assets, it may do so, however, if the assets are sold with the intention of continuing the operation of a community currency exchange, the purchaser or purchasers must first make application to the Secretary for licensure in accordance with Section ~~Sections 4 and 10~~ of this Act. If the Secretary shall not so approve, he shall not issue such license and shall notify the applicant or applicants of such denial. The investigation fee for a change of location is \$500.

The provisions of Sections 4.1A and Section 10 ~~of this Act~~ with reference to notice, hearing and review apply to applications filed pursuant to this Section.

(Source: P.A. 97-315, eff. 1-1-12.)

(205 ILCS 405/14) (from Ch. 17, par. 4823)

Sec. 14. Every licensee, shall, on or before November 15, pay to the Secretary the annual license fee or fees for the next succeeding calendar year and shall at the same time file with the Secretary the annual report required by Section 16 of this Act, and the annual bond or bonds, and the insurance policy or policies as and if required by this Act. The annual license fee for each community currency exchange ~~is \$200, prior to January 1, 2012. After January 1, 2012 the fee shall be \$300. After January 1, 2014 the fee shall be \$400~~ for each licensee and \$400 for each additional licensed location. The annual license fee for each location served by an ambulatory currency exchange shall be \$25.

(Source: P.A. 97-315, eff. 1-1-12.)

(205 ILCS 405/15) (from Ch. 17, par. 4824)

Sec. 15. Fines; suspension; revocation. The Secretary may, after 15 business days' ~~days~~ notice by registered or certified mail to the licensee at the address set forth in the license, or by email or facsimile transmission if such other method is previously designated by the licensee, stating the contemplated action and in general the grounds therefore, fine the licensee ~~an amount not exceeding \$1,000 per violation~~ or revoke or suspend any license issued if he or she finds that:

(a) the licensee has failed to pay the annual license

fee or to maintain in effect the required bond or bonds or insurance policy or policies; or

(b) the licensee has failed to comply with any provision of this Act or any order, decision, finding, rule, regulation, or direction of the Secretary lawfully made under the authority of this Act; or

(c) the licensee has violated any provision of this Act or any regulation or direction made by the Secretary under this Act; or

(d) any fact or condition exists which, if it had existed at the time of the original application for such license, would have warranted the Secretary in refusing the issuance of the license; or

(e) the licensee has not operated the currency exchange or at the location licensed, for a period of 60 consecutive days, unless the licensee was prevented from operating during such period by reason of events or acts beyond the licensee's control.

The notice required to fine a licensee or suspend or revoke a license under this Section shall state (i) the specific nature and a clear and concise description of the violation; (ii) the Sections of this Act or rules that have been violated; (iii) the contemplated fine or action; (iv) that the licensee may, within 15 business days from the date of the notice, request a hearing pursuant to Section 22.01 of this Act; (v) that the licensee may, within 15 business days after the

notice, take corrective action to mitigate any fine or contemplated action; and (vi) the specific corrective action to be taken.

Consistent with the provisions of this Act, the Secretary may, after weighing any harm to the public, the seriousness of the offense, and the history of the licensee, fine a licensee an amount graduated up to \$1,000 per violation.

No license shall be revoked until the licensee has had notice of a hearing on the proposed revocation and an opportunity to be heard. The Secretary shall send a copy of the order, finding, or decision of revocation by United States mail, or by email or facsimile transmission, if such other method is previously designated by the licensee, to the licensee at the address set forth in the license or to such other email address or facsimile transmission phone number previously designated by the licensee, within 5 days after the order or decision is entered. A review of any such order, finding, or decision is available under Section 22.01 of this Act.

The Secretary may fine, suspend or revoke only the particular license or licenses for particular places of business or locations with respect to which grounds for revocation may occur or exist; except that if he shall find that such grounds for revocation are of general application to all places of business or locations, or that such grounds for fines, suspension or revocation have occurred or exist with

respect to a substantial number of places of business or locations, he may fine, suspend or revoke all of the licenses issued to such licensee.

An order assessing a fine, an order revoking or suspending a license, or an order denying renewal of a license shall take effect on service of the order unless the licensee requests a hearing pursuant to this Section ~~, in writing, within 15 days after the date of service. In the event a hearing is requested, the order shall be stayed until a final administrative order is entered.~~ If the licensee requests a hearing, the Secretary shall schedule a hearing within 30 days after the request for a hearing unless otherwise agreed to by the parties. The hearing shall be held at the time and place designated by the Secretary.

The Secretary and any administrative law judge designated by him or her shall have the power to administer oaths and affirmations, subpoena witnesses and compel their attendance, take evidence, and require the production of books, papers, correspondence, and other records or information that he or she considers relevant or material to the inquiry.

In case of contumacy or refusal of a witness to obey a subpoena, any circuit court of this State whose jurisdiction encompasses where the hearing is located may issue an order requiring such witness to appear before the Secretary or the hearing officer, to produce documentary evidence, or to give testimony touching the matter in question; and the court may

punish any failures to obey such orders of the court as contempt.

A licensee may surrender any license by delivering to the Secretary written notice that he, they or it thereby surrenders such license, but such surrender shall not affect such licensee's civil or criminal liability for acts committed prior to such surrender, or affect the liability on his, their or its bond or bonds, or his, their or its policy or policies of insurance, required by this Act, or entitle such licensee to a return of any part of the annual license fee or fees.

Every license issued hereunder shall remain in force until the same shall expire, or shall have been surrendered, suspended or revoked in accordance with this Act, but the Secretary may on his own motion, issue new licenses to a licensee whose license or licenses shall have been revoked if no fact or condition then exists which clearly would have warranted the Secretary in refusing originally the issuance of such license under this Act.

(Source: P.A. 97-315, eff. 1-1-12.)

(205 ILCS 405/17) (from Ch. 17, par. 4833)

Sec. 17. Every licensee shall keep and use in his business such books, accounts and records as will enable the Secretary to determine whether such licensee is complying with the provisions of this Act and with the rules, regulations and directions made by the Secretary hereunder.

Each licensee shall record or cause to be recorded the following information with respect to each money order it sells or issues: (1) The amount; (2) the month and year of sale or issuance; and (3) the serial number.

Each licensee shall preserve the record required by this subsection for at least 7 years or until the money order to which it pertains is returned to the licensee. Each money order returned to the licensee shall be preserved for not less than 3 years from the month and year of sale or issuance by the licensee. The licensee shall keep the record, or an authentic microfilm copy thereof, required to be preserved by this subsection within this state at its principal office or other a place readily accessible to the Secretary and his representatives. If a licensee sells or transfers his business at a location or an address, his obligations under this paragraph devolve upon the successor licensee and subsequent successor licensees, if any, at such location or address. If a licensee ceases to do business in this state, he shall deposit the records and money orders he is required to preserve, with the Secretary.

(Source: P.A. 97-315, eff. 1-1-12.)

(205 ILCS 405/18) (from Ch. 17, par. 4834)

Sec. 18. Proof of address. The applicant for a community currency exchange license shall have a permanent address as evidenced by a lease of at least 6 ~~six~~ months duration or other

suitable evidence of permanency, and the license issued, pursuant to the application shall be valid only at that address in the application or any new address approved by the Secretary. A letter of intent for a lease shall suffice for inclusion with the application, and evidence of an executed lease shall be considered ministerial in nature, to be furnished once the investigation is completed and the approval is final and prior to the issuance of the license.

(Source: P.A. 97-315, eff. 1-1-12.)

(205 ILCS 405/19) (from Ch. 17, par. 4835)

Sec. 19. The Department may make and enforce such reasonable rules, directions, orders, decisions and findings as the execution and enforcement of the provisions of this Act require, and as are not inconsistent within this Act. All such rules, directions, orders, decisions and findings shall be filed and entered by the Secretary in an indexed permanent book or record, or electronic record, with the effective date thereof suitably indicated, and such book or record shall be a public document. All rules and directions, which are of a general character, shall be made available in electronic form to all licensees within 10 days after filing and all licensees shall receive by mail notice of any changes. Copies of all findings, orders and decisions shall be mailed to the parties affected thereby by United States mail within 5 days of such filing.

The Department shall adopt rules concerning classes of violations, which may include continuing violations of this Act, and factors in mitigation of violations.

(Source: P.A. 97-315, eff. 1-1-12.)

(205 ILCS 405/21) (from Ch. 17, par. 4841)

Sec. 21. Except as otherwise provided for in this Act, whenever the Secretary is required to give notice to any applicant or licensee, such requirement shall be complied with if, within the time fixed herein, such notice shall be enclosed in an envelope plainly addressed to such applicant or licensee, as the case may be, at the address set forth in the application or licensee's principal office ~~license~~, as the case may be, United States postage fully prepaid, and deposited, registered or certified, in the United States mail.

Notice may also be provided to an applicant or licensee by telephone facsimile to the person or electronically via email to the telephone number or email address designated by an applicant or licensee in writing.

(Source: P.A. 97-315, eff. 1-1-12.)

(205 ILCS 405/29.5)

Sec. 29.5. Cease and desist. The Secretary may issue a cease and desist order to any currency exchange or other person doing business without the required license, when in the opinion of the Secretary, the currency exchange or other person

is violating or is about to violate any provision of this Act or any rule or requirement imposed in writing by the Department. The cease and desist order shall specify the activity or activities that the Department is seeking the currency exchange or other person doing business without the required license to cease and desist.

The cease and desist order permitted by this Section may be issued prior to a hearing.

The Secretary shall serve notice of his or her action, including, but not limited to, a statement of reasons for the action, either personally or by certified mail, return receipt requested. Service by certified mail shall be deemed completed (i) when the notice is deposited in the U.S. mail, received, or delivery is refused, or (ii) one business day after the United States Postal Service has attempted delivery, whichever is earlier.

Within 10 days after service of a cease and desist order, the licensee or other person may request, in writing, a hearing. The Secretary shall schedule a hearing within 30 days after the request for a hearing unless otherwise agreed to by the parties.

If it is determined that the Secretary has the authority to issue the cease and desist order, he or she may issue such orders as reasonably necessary to correct, eliminate, or remedy such conduct.

The powers vested in the Secretary by this Section are

additional to any and all other powers and remedies vested in the Secretary by law, and nothing in this Section shall be construed as requiring that the Secretary shall employ the power conferred in this Section instead of or as a condition precedent to the exercise of any other power or remedy vested in the Secretary.

The currency exchange, or other person doing business without the required license, shall pay the actual costs of the hearing.

(Source: P.A. 97-315, eff. 1-1-12.)

Section 99. Effective date. This Act takes effect January 1, 2016.