



Sen. Christopher Belt

**Filed: 4/8/2024**

10300SB2234sam003

LRB103 28770 RTM 71808 a

1 AMENDMENT TO SENATE BILL 2234

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 2234, AS AMENDED,  
3 by replacing everything after the enacting clause with the  
4 following:

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

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

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

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

13 "Closed-end financing" means a closed-end extension of  
14 credit, secured or unsecured, recourse or nonrecourse,  
15 including equipment financing that does not meet the

1 definition of a lease under Section 2A-103 of the Uniform  
2 Commercial Code, that the recipient does not intend to use for  
3 personal, family, or household purposes. "Closed-end  
4 financing" includes financing with an established principal  
5 amount and duration.

6 "Commercial financing database" means a reporting database  
7 certified by the Department as effective in receiving a report  
8 of commercial financing made under this Act.

9 "Commercial financing database provider" means an entity  
10 that provides a reporting database certified by the Department  
11 under this Act.

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

1 financing are used in accordance with the recipient's  
2 statement of intended purposes.

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

5 "Division of Financial Institutions" or "Division" means  
6 the Division of Financial Institutions of the Department of  
7 Financial and Professional Regulation.

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

14 "Finance charge" means the cost of financing as a dollar  
15 amount. "Finance charge" includes any charge payable directly  
16 or indirectly by the recipient and imposed directly or  
17 indirectly by the provider as an incident to or a condition of  
18 the extension of financing. "Finance charge" includes any  
19 charges as determined by the Secretary. For the purposes of an  
20 open-end financing, "finance charge" means the maximum amount  
21 of credit available to the recipient, in each case, that is  
22 drawn and held for the duration of the term or draw period. For  
23 the purposes of a factoring transaction, "finance charge"  
24 includes the discount taken on the face value of the accounts  
25 receivable. In addition, the finance charge shall include any  
26 charges determined by the Secretary.

1 "Open-end financing" means an agreement for one or more  
2 extensions of open-end credit, secured or unsecured, that the  
3 recipient does not intend to use the proceeds of primarily for  
4 personal, family, or household purposes. "Open-end financing"  
5 includes credit extended by a provider under a plan in which:  
6 (i) the provider reasonably contemplates repeated  
7 transactions; (ii) the provider may impose a finance charge  
8 from time to time on an outstanding unpaid balance; and (iii)  
9 the amount of credit that may be extended to the recipient  
10 during the term of the plan is generally made available to the  
11 extent that any outstanding balance is repaid.

12 "Person" means an individual, entity, corporation,  
13 partnership, limited liability company, joint venture,  
14 association, joint stock company, trust, or unincorporated  
15 organization, including, but not limited to, a sole  
16 proprietorship.

17 "Provider" means a person who extends a specific offer of  
18 commercial financing to a recipient. "Provider", unless  
19 otherwise exempt, includes a person who solicits and presents  
20 specific offers of commercial financing on behalf of a third  
21 party. The mere extension of a specific offer or provision of  
22 disclosures for a commercial financing, is not sufficient to  
23 conclude that a provider is originating, making, funding, or  
24 providing commercial financing. "Provider" does not include:

- 25 (1) a bank, trust company, or industrial loan company,  
26 or any subsidiary or affiliate thereof, doing business

1 under the authority of, or in accordance with, a license,  
2 certificate or charter issued by the United States, this  
3 State, or any other state, district, territory, or  
4 commonwealth of the United States that is authorized to  
5 transact business in this State;

6 (2) a federally chartered savings and loan  
7 association, federal savings bank, or federal credit  
8 union, or any subsidiary or affiliate thereof, that is  
9 authorized to transact business in this State;

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

14 (4) a lender regulated under the federal Farm Credit  
15 Act; and

16 (5) a person acting as a technology services provider  
17 to an entity described by sub-paragraphs (1), (2), or (3)  
18 for use as part of that entity's commercial financing  
19 program, provided the person has no interest, or  
20 arrangement, or agreement to purchase any interest in the  
21 commercial financing extended by the entity in connection  
22 with the program.

23 "Recipient" means a person located in the State of  
24 Illinois who applies for commercial financing and is made a  
25 specific offer of commercial financing by a provider. For the  
26 purpose of determining whether a recipient is located in

1 Illinois, a provider may rely upon (i) any written  
2 representation by the recipient as to whether it is located in  
3 Illinois; or (ii) the business address provided by the  
4 recipient in the application for commercial financing showing  
5 that the recipient is located in Illinois. "Recipient"  
6 includes an authorized representative of a person who applies  
7 for commercial financing and is made a specific offer of  
8 commercial financing by a provider. "Recipient" does not  
9 include a person acting as a broker is not a recipient in a  
10 transaction they broker.

11 "Sales-based financing" means a transaction that is repaid  
12 by the recipient to the provider, over time, as a percentage of  
13 sales or revenue, in which the payment amount may increase or  
14 decrease according to the volume of sales made or revenue  
15 received by the recipient or a transaction that includes a  
16 true-up mechanism where the financing is repaid as a fixed  
17 payment but provides for a reconciliation process that adjusts  
18 the payment to an amount that is a percentage of sales or  
19 revenue.

20 "Secretary" means the Secretary of Financial and  
21 Professional Regulation or a person authorized by the  
22 Secretary to perform the Secretary's responsibilities under  
23 this Act.

24 "Specific offer" means the specific terms of commercial  
25 financing, including price or amount, that is quoted to a  
26 recipient based on information obtained from or about the

1 recipient that, if accepted by a recipient, shall be binding  
2 on the provider, as applicable, subject to any specific  
3 requirements stated in the specific terms.

4 "True-up mechanism" means, with respect to sales-based  
5 financing, a contractual arrangement with all the following  
6 elements:

7 (1) The financier receives periodic payments based upon  
8 a pre-set amount stated in the contract.

9 (2) The contract allows the recipient to request, or  
10 the financier to initiate, adjustments to the payment  
11 amount, credits to the recipient, or charges to the  
12 recipient after execution of the contract, so that the  
13 total amount paid by the recipient more closely reflects a  
14 split rate listed in the contract.

15 Section 10. Applicability.

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

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

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

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

25 (1) a bank, trust company, or industrial loan company

1 doing business under the authority of, or in accordance  
2 with, a license, certificate or charter issued by the  
3 United States, this State, or any other state, district,  
4 territory, or commonwealth of the United States that is  
5 authorized to transact business in this State;

6 (2) a federally chartered savings and loan  
7 association, federal savings bank, or federal credit union  
8 that is authorized to transact business in this State;

9 (3) a savings and loan association, savings bank, or  
10 credit union organized under the laws of this State or any  
11 other state that is authorized to transact business in  
12 this State;

13 (4) a lender regulated under the federal Farm Credit  
14 Act; and

15 (5) a person acting in the person's capacity as a  
16 technology services provider to an entity described by  
17 sub-paragraphs (1), (2), or (3) for use as part of that  
18 entity's commercial financing program, provided the person  
19 has no interest, or arrangement, or agreement to purchase  
20 any interest in the commercial financing extended by the  
21 entity in connection with the program.

22 Section 15. Division of Financial Institutions. This Act  
23 shall be administered by the Division on behalf of the  
24 Secretary.



1 Section 20. Registration requirement.

2 (a) It is unlawful for a person to engage in the conduct  
3 regulated by this Act unless the person: (i) registers with  
4 the Secretary in accordance with this Section; and (ii)  
5 maintains a valid registration. An officer or employee of a  
6 person required to register under this Section is not required  
7 to register if the person for whom the individual is an officer  
8 or employee is registered.

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

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

1 completed renewal application and fees.

2 (d) Upon receipt of the registration, a registrant is  
3 authorized to engage in conduct regulated by this Act. The  
4 registration shall remain in full force and effect until it  
5 expires, is withdrawn by the registrant, or is revoked or  
6 suspended as provided in this Act.

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

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

10 (2) submit a registration statement containing the  
11 information described in subsection (g).

12 (f) To renew a registration under this Section, a person  
13 shall:

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

16 (2) submit a renewal statement containing the  
17 information described in subsection (g).

18 (g) A registration or renewal statement must be submitted  
19 to the Secretary or to a multistate licensing system as  
20 approved by the Secretary. The registration or renewal  
21 statement shall include:

22 (1) the name of the person;

23 (2) the name in which the business will be transacted  
24 if different from that required in paragraph (1), which  
25 must be properly registered as an assumed corporate name  
26 under the Business Corporation Act of 1983, an assumed

1 limited liability company name under the Limited Liability  
2 Company Act, or an assumed business name under the Assumed  
3 Business Name Act;

4 (3) the address of the person's principal business  
5 office;

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

8 (5) if the person engages in commercial financing  
9 transactions in this State but does not maintain an office  
10 in this State, a brief description of the manner in which  
11 the business is conducted;

12 (6) if the person conducts business through an agent  
13 located in this State, the name and address in this State  
14 of the person's agent properly registered with the  
15 Secretary of State;

16 (7) for a registration application, whether the  
17 person, an officer, director, manager, operator, or  
18 principal of the person, or an employee of the person  
19 engaged in the business of commercial financing has been  
20 convicted of a crime involving an act of fraud,  
21 dishonesty, breach of trust, or money laundering; if the  
22 applicant answers yes to this paragraph, then the  
23 applicant shall report the names, titles or relationship  
24 to the applicant or registrant, and the nature of the  
25 covered crime;

26 (8) for a renewal application, whether, in the past

1 year, the person, an officer, director, manager, operator,  
2 or principal of the person, or an employee of the person  
3 engaged in the business of commercial financing has been  
4 convicted of a crime involving an act of fraud,  
5 dishonesty, breach of trust, or money laundering; if the  
6 registrant answers yes to this paragraph, then the  
7 registrant shall report the names, titles or relationship  
8 to the applicant or registrant, and the nature of the  
9 covered crime;

10 (9) a statement of the person's commitment to abide by  
11 the requirements of registering persons under this Act,  
12 including providing the required financing disclosures in  
13 commercial financing offers as required under Sections 45,  
14 50, 55, 60, 65, and 70 of this Act;

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

19 (11) information on financing offers presented by  
20 registrant in Illinois in the previous calendar year,  
21 including the number of financing offers made, the number  
22 of financing offers made in which the disclosures as  
23 required by Sections 45, 50, 55, 60, 65, and 70 were  
24 offered, and the number of financing offers accepted by  
25 recipients; and

26 (12) any other information deemed necessary by the

1 Secretary.

2 (h) The Secretary may refuse to accept or renew a  
3 registration if:

4 (1) the Secretary determines that the person has not  
5 complied with the provisions of this Act, its implementing  
6 rules, or other laws that apply to the person; or

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

11 (i) The Department shall adopt and amend such rules as may  
12 be required for the proper administration and enforcement of  
13 this Section, including rules providing for the form, content,  
14 and filing of a registration and renewal statement.

15 Section 25. Additional registration information.

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

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

1           (c) Each registrant shall furnish to the Secretary or  
2 multistate licensing system an updated business address within  
3 10 days after any change of business address.

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

12           Section 35. Functions; powers; duties. The functions,  
13 powers, and duties of the Secretary include, but are not  
14 limited to, the following:

15           (1) to issue or refuse to issue any registration or  
16 renewal;

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

19           (3) to keep records of all registrations issued under  
20 this Act;

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

1           (5) to adopt rules necessary and proper for the  
2 administration of this Act, to protect consumers and  
3 financing recipients, to promote fair competition, and as  
4 otherwise authorized by this Act;

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

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

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

25          (9) to enforce provisions of this Act and its  
26 implementing rules;

1           (10) to levy fees, including, but not limited to,  
2 assessments, registration fees, civil penalties, and  
3 charges for services performed in administering this Act.  
4 The Secretary may establish and modify fees by rule. The  
5 aggregate of all fees collected by the Secretary under  
6 this Act shall be paid promptly after receipt into the  
7 Financial Institution Fund. The amounts deposited into the  
8 Financial Institution Fund shall be used for the ordinary  
9 and contingent expenses of the Department. Nothing in this  
10 Act prevents paying expenses including salaries,  
11 retirement, social security, and State-paid insurance of  
12 State employees, or any other expenses incurred under this  
13 Act by appropriation from the General Revenue Fund or any  
14 other fund;

15           (11) to issue refunds to registrants of any  
16 overpayment for good cause shown;

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

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

23           (14) to exercise visitorial power over a registrant:  
24 (A) if the Secretary has reasonable cause to believe that  
25 an unsafe, unsound, or unlawful practice has occurred, is  
26 occurring, or is about to occur; or (B) if a person is



1           violating or is about to violate any law, rule, or written  
2           agreement with the Secretary; and

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

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

16          (17) to enter into agreements in connection with a  
17          multistate licensing system.

18          Section 40. Subpoena power of the Secretary.

19          (a) The Secretary may issue and serve subpoenas and  
20          subpoenas duces tecum to compel the attendance of witnesses  
21          and the production of all books, accounts, records, and other  
22          documents and materials relevant to an investigation. The  
23          Secretary, or the Secretary's duly authorized representative,  
24          may administer oaths and affirmations to any person.

25          (b) If a person does not comply with the Secretary's

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

16 (c) If it appears to the Secretary that the compliance  
17 with a subpoena or subpoena duces tecum issued or caused to be  
18 issued by the Secretary under this Section is essential to an  
19 investigation, the Secretary, in addition to the other  
20 remedies provided for in this Act, may, through the Attorney  
21 General, apply for relief to the circuit court of the county in  
22 which the subpoenaed person resides or has its principal place  
23 of business. The court shall thereupon direct the issuance of  
24 an order against the subpoenaed person requiring sufficient  
25 bond conditioned on compliance with the subpoena or subpoena  
26 duces tecum. The court shall cause to be endorsed on the order

1 a suitable amount of bond or payment pursuant to which the  
2 person named be freed, having a due regard to the nature of the  
3 case.

4 (d) In addition, the Secretary may, through the Attorney  
5 General, seek a writ of attachment or an equivalent order from  
6 the circuit court having jurisdiction over the person who has  
7 refused to obey a subpoena, who has refused to give testimony,  
8 or who has refused to produce the matters described in the  
9 subpoena duces tecum.

10 Section 45. Sales-based financing disclosure requirements.  
11 A provider subject to this Act shall provide the following  
12 disclosures to a recipient, in a manner prescribed by the  
13 Secretary, if any, at the time of extending a specific offer of  
14 sales-based financing:

15 (1) The total amount of the commercial financing, and,  
16 if different from the financing amount, the disbursement  
17 amount after any amount deducted or withheld at  
18 disbursement.

19 (2) The finance charge.

20 (3) The estimated annual percentage rate, using the  
21 words annual percentage rate or the abbreviation  
22 "Estimated APR", expressed as a yearly rate, inclusive of  
23 any fees and finance charges, based on the estimated term  
24 of repayment and the projected periodic payment amounts.  
25 The estimated term of repayment and the projected periodic

1 payment amounts shall be calculated based on the  
2 projection of the recipient's sales, which may be referred  
3 to as the projected sales volume. The projected sales  
4 volume may be calculated using the historical method or  
5 the underwriting method. The provider shall provide notice  
6 to the Secretary on which method the provider intends to  
7 use across all instances of sales-based financing offered  
8 in calculating the estimated annual percentage rate under  
9 this Section, according to the following:

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

24 (B) A provider using the underwriting method shall  
25 determine the estimated annual percentage rate, the  
26 estimated term, and the projected payments, using a

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

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

25           (5) The estimated term, which is the period of time  
26          required for the periodic payments, based on the projected

1 sales volume, to equal the total amount required to be  
2 repaid.

3 (6) The payment amounts, based on the projected sales  
4 volume:

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

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

15 (7) A description of all other potential fees and  
16 charges not included in the finance charge, including, but  
17 not limited to, draw fees, late payment fees, and returned  
18 payment fees.

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

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

1 required to pay; and

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

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

7 Section 50. Commercial closed-end financing disclosure  
8 requirements.

9 (a) A provider subject to this Act shall provide the  
10 following disclosures to a recipient, in a manner prescribed  
11 by the Secretary, if any, at the time of extending a specific  
12 offer for closed-end financing:

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

17 (2) The finance charge.

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

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

24 (5) The term of the financing.

25 (6) The payment amounts:

1 (A) for payment amounts that are fixed, the  
2 payment amounts and frequency, such as daily, weekly,  
3 monthly, and, if the term is longer than one month, the  
4 average monthly payment amount; or

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

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

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

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

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

26 (9) A description of collateral requirements or



1 security interests, if any.

2 (b) If an advance requires repayment in periodic  
3 installments over time and does not qualify as sales-based  
4 financing, then the advance qualifies as close-end financing  
5 and shall satisfy the disclosure requirements of this Section.

6 Section 55. Open-end commercial financing disclosure  
7 requirements. A provider subject to this Act shall provide the  
8 following disclosures to a recipient, in a manner prescribed  
9 by the Secretary, if any, at the time of extending a specific  
10 offer for open-end financing:

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

16 (2) The finance charge.

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

24 (4) The total repayment amount, which is the draw  
25 amount, less any fees deducted or withheld at

1 disbursement, plus the finance charge. The total repayment  
2 amount shall assume a draw amount equal to the maximum  
3 amount of credit available to the recipient if drawn and  
4 held for the duration of the term or draw period.

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

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

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

21 (8) Were the recipient to elect to pay off or  
22 refinance the commercial financing before full repayment,  
23 the provider shall disclose:

24 (A) whether the recipient would be required to pay  
25 any finance charges other than interest accrued since  
26 their last payment; if so, disclosure of the

1 percentage of any unpaid portion of the finance charge  
2 and maximum dollar amount the recipient could be  
3 required to pay; and

4 (B) whether the recipient would be required to pay  
5 any additional fees not already included in the  
6 finance charge.

7 (9) A description of collateral requirements or  
8 security interests, if any.

9 Section 60. Factoring transaction disclosure requirements.  
10 A provider subject to this Act shall provide the following  
11 disclosures to a recipient, in a manner prescribed by the  
12 Secretary, if any, at the time of extending a specific offer  
13 for a factoring transaction:

14 (1) The amount of the receivables purchase price paid  
15 to the recipient, and, if different from the purchase  
16 price, the disbursement amount after any amount deducted  
17 or withheld at disbursement.

18 (2) The finance charge.

19 (3) The estimated annual percentage rate, using that  
20 term. To calculate the estimated annual percentage rate,  
21 the purchase amount is considered the financing amount,  
22 the purchase amount minus the finance charge is considered  
23 the payment amount, and the term is established by the  
24 payment due date of the receivables. As an alternate  
25 method of establishing the term, the provider may estimate

1 the term for a factoring transaction as the average  
2 payment period based on its historical data over a period  
3 not to exceed the previous 12 months, concerning payment  
4 invoices paid by the party or parties owing the accounts  
5 receivable in question.

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

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

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

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

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

1 (2) The finance charge.

2 (3) The annual percentage rate, using only the words  
3 annual percentage rate or the abbreviation "APR",  
4 expressed as a yearly rate, inclusive of any fees and  
5 finance charges.

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

8 (5) The term of the financing.

9 (6) The payment amounts:

10 (A) for payment amounts that are fixed, the  
11 payment amounts and frequency, such as daily, weekly,  
12 monthly, and the average monthly payment amount; or

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

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

21 (8) If the recipient elects to pay off or refinance  
22 the commercial financing before full repayment, the  
23 provider shall disclose:

24 (A) whether the recipient would be required to pay  
25 any finance charges other than interest accrued since  
26 their last payment; if so, disclosure of the

1 percentage of any unpaid portion of the finance charge  
2 and maximum dollar amount the recipient could be  
3 required to pay; and

4 (B) whether the recipient would be required to pay  
5 any additional fees not already included in the  
6 finance charge.

7 (9) A description of collateral requirements or  
8 security interests, if any.

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

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

1 shall be the answer to the following question: "Does the  
2 renewal financing include any amount that is used to pay  
3 unpaid finance charges or fees, also known as double  
4 dipping? Yes, {enter amount}. If the amount is zero, the  
5 answer would be no."

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

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

1 "APR".

2 Section 80. Commercial financing disclosure forms approved  
3 for use in the other states. The Secretary may approve the use  
4 of commercial financing disclosure forms approved for use in  
5 other states with commercial financing disclosure requirements  
6 that are substantially similar to or exceed the requirements  
7 set forth in this Act, including the disclosure requirements  
8 in Sections 45, 50, 55, 60, 65, and 70 of this Act.

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

16 Section 90. Notification.

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

21 (b) A registrant must advise the Secretary in writing that  
22 the registrant has been disciplined, including denial of  
23 licensure, by a licensing authority of this State or another



1 state within 10 days after entry of the discipline.

2 Section 95. Disciplinary actions.

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

5 (1) revocation of registration;

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

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

12 (4) imposition of civil monetary penalties not to  
13 exceed \$10,000 for each separate offense, but civil  
14 penalties may not to exceed \$50,000 for all violations  
15 arising from the use of the same single transaction,  
16 including for financing offers that are not consummated;

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

19 (6) denial of a registration.

20 (b) Grounds for penalties include:

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

25 (2) if a person has violated or aided another to

1           violate any provision of this Act or any rule adopted by  
2           the Secretary pursuant to this Act;

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

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

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

13          (6) that a registrant or an officer, director,  
14          manager, operator, or principal of the registrant, or an  
15          employee of the registrant engaged in the business of  
16          commercial financing has been adjudicated guilty of a  
17          crime against the law of this State, any other state, or of  
18          the United States involving moral turpitude, abusive,  
19          deceptive, fraudulent, or dishonest dealing;

20          (7) that a final judgment has been entered against  
21          registrant or an officer, director, manager, operator, or  
22          principal of the registrant, or an employee of the  
23          registrant engaged in the business of commercial financing  
24          in a civil action upon grounds of abusive conduct,  
25          conversion, fraud, misrepresentation, or deceit;

26          (8) that an applicant made a material misstatement in

1 the applicant's application for registration or any other  
2 communication to the Secretary;

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

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

11 (11) that a registrant had a license, registration, or  
12 the equivalent, to practice any profession, occupation,  
13 other industry or activity requiring licensure revoked,  
14 suspended, disciplined, or otherwise acted against,  
15 including the denial of licensure by a licensing authority  
16 of this State or another state, territory, or country for  
17 fraud, dishonest dealing, misrepresentations,  
18 incompetence, conversion, any act of moral turpitude or  
19 any other grounds that would constitute grounds for  
20 discipline under this Act;

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

26 (13) that a person engaged in activities regulated by

1 this Act without a current, active registration unless  
2 specifically exempted by this Act;

3 (14) that a person failed to timely pay any fee,  
4 charge, or civil penalty assessed under this Act; and

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

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

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

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

25 (f) Every registration issued under this Act shall remain  
26 in force and effect until the registration expires, is

1 surrendered, is revoked, or is suspended in accordance with  
2 the provisions of this Act. The Secretary shall have authority  
3 to reinstate a suspended registration or to issue a new  
4 registration to a registrant whose registration has been  
5 revoked or surrendered if no fact or condition then exists  
6 which would have warranted the Secretary in refusing  
7 originally to issue that registration under this Act.

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

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

25 (1) If the registrant requests a hearing, then the  
26 Secretary shall schedule a hearing within 90 days after

1 the request for a hearing unless otherwise agreed to by  
2 the parties.

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

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

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

19 Section 100. Investigation of complaints. The Secretary  
20 may investigate any complaints and inquiries made concerning  
21 this Act and any registrants or persons the Secretary believes  
22 may be required to register under this Act. Each registrant or  
23 person the Secretary believes may be required to register  
24 under this Act shall open the registrant's or person's books,  
25 records, documents, and offices wherever situated to the

1 Secretary as needed to facilitate the investigations.

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

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

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

25 (2) For the purposes of investigating violations or

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

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

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



1 purposes of concealing a violation of this Act, the  
2 registrant or owner of the documents and records shall  
3 have access to the documents or records as necessary to  
4 conduct its ordinary business affairs.

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

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

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

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

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

25 (E) accept audit reports made by an independent  
26 certified public accountant for the person subject to

1           this Act and may incorporate the audit report in the  
2           report of the investigation or other writing of the  
3           Secretary.

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

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

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

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

1 with relevant oversight authority, and law enforcement  
2 without the loss of privilege or the loss of  
3 confidentiality protections.

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

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

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

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

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

24 (5) Confidential or privileged information received  
25 from a multistate licensing system, another licensing  
26 body, federal and state regulatory officials, or law

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

9 Section 115. Appeal and review.

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

15 (1) appointment of a hearing officer;

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

18 (3) provisions for apportioning costs among parties to  
19 the appeal.

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

1 Secretary may be taken as in other civil cases.

2 Section 120. Registration fees.

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

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

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

16 Section 125. Cease and desist order.

17 (a) The Secretary may issue a cease and desist order to any  
18 registrant or person doing business without the required  
19 registration when, in the opinion of the Secretary, the  
20 registrant or other person has violated, is violating, or is  
21 about to violate any provision of this Act or any rule adopted  
22 by the Department under this Act or any requirement imposed in  
23 writing by the Department as a condition of granting any  
24 authorization permitted by this Act. The cease and desist

1 order authorized by this Section may be issued prior to a  
2 hearing.

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

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

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

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

25 Section 130. Injunctions. The Secretary may maintain an

1 action in the name of the people of this State and may apply  
2 for an injunction in the circuit court to enjoin a person from  
3 violating this Act or its implementing rules through the  
4 Attorney General.

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

8 (1) any person or entity that is not a provider;

9 (2) a commercial financing transaction secured by real  
10 property;

11 (3) a lease as defined in Section 2-A-103 of the  
12 Uniform Commercial Code, not including finance leases as  
13 defined in paragraph (g) of subsection (1) of Section  
14 2A-103 of the Uniform Commercial Code; or

15 (4) a company primarily in the business of  
16 manufacturing equipment, or any subsidiary or affiliate of  
17 such a company, when offering a commercial financing  
18 transaction for which the majority of the proceeds are  
19 used to finance nonfinancial products manufactured by the  
20 company, or any subsidiary or affiliate of such a company,  
21 or the maintenance of or other services on such products;

22 (5) any person or provider who makes no more than 5  
23 commercial financing transactions in this State in a  
24 12-month period;

25 (6) a single, discrete commercial financing

1 transaction in an amount over \$2,500,000; or

2 (7) a commercial financing transaction in which the  
3 recipient is a vehicle dealer subject to Section 5-101 or  
4 5-102 of the Illinois Vehicle Code, an affiliate of a  
5 dealer, a rental vehicle company as defined in Section 10  
6 of the Renter's Financial Responsibility and Protection  
7 Act, or an affiliate of a company under a commercial  
8 financing agreement or commercial open-end credit plan of  
9 at least \$50,000, including any commercial loan made under  
10 a commercial financing transaction.

11 Section 140. Complaint disclosure. All commercial  
12 financing shall include a clear and conspicuous notice on how  
13 to file a complaint with the Department.

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

16 (1) rules defining the terms used in this Act and as  
17 may be necessary and appropriate to interpret and  
18 implement the provisions of this Act;

19 (2) rules for the enforcement and administration of  
20 this Act;

21 (3) rules for the protection of consumers and  
22 recipients in this State;

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



1 (5) rules to implement Section 165.

2 Section 150. Violations.

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

6 (b) Any violation of this Act constitutes an unlawful  
7 practice in violation of the Consumer Fraud and Deceptive  
8 Business Practices Act. The Attorney General may enforce a  
9 violation of this Act as an unlawful practice under the  
10 Consumer Fraud and Deceptive Business Practices Act.

11 Section 155. Beginning of registration. No person shall be  
12 required to register under this Act before the date  
13 established by the Department by rule. The date shall not be  
14 before January 1, 2025.

15 Section 160. Beginning of disclosure requirements. No  
16 person shall be required to comply with the disclosure  
17 requirements set forth in Sections 45, 50, 55, 60, 65, 70, and  
18 165 before the date established by the Department by rule. The  
19 date shall not be before January 1, 2025.

20 Section 165. Commercial financing database.

21 (a) A commercial financing database program is established  
22 within the Department. The program shall be administered in

1 accordance with this Section. None of the duties, obligations,  
2 contingencies, or consequences of or from the program shall be  
3 imposed until 6 months after the Department certifies a  
4 commercial financing database under subsection (b). The  
5 program shall apply to all sales-based financings and  
6 commercial closed-end financings for which interest charges  
7 that accrue on the outstanding balance represent a minority of  
8 the finance charge that are governed by this Act and that are  
9 made or taken on or after the inception of the program.

10 (b) The Department shall certify that a commercial  
11 financing database is a commercially reasonable method of  
12 reporting. Upon certifying that a commercial financing  
13 database is a commercially reasonable method of reporting, the  
14 Department shall:

15 (1) provide reasonable notice to all registrants  
16 identifying the commercially reasonable method of  
17 reporting that is available; and

18 (2) no earlier than 6 months after certification,  
19 require each registrant offering sales-based financing or  
20 commercial closed-end financings for which interest  
21 charges that accrue on the outstanding balance represent a  
22 minority of the finance charge to use a commercially  
23 reasonable method of reporting as a means of complying  
24 with subsection (d) of this Section.

25 (c) The database created under this program shall be  
26 maintained and administered by the Department. The database

1 shall be designed to allow providers to submit information to  
2 the database online. The database shall not be designed to  
3 allow providers to retrieve information from the database,  
4 except as otherwise provided in this Act.

5 (d) Within 30 days after providing funds to a recipient,  
6 the provider shall submit to the commercial financing database  
7 the information delineated in subsections (e) and (f). If at  
8 the time funds are provided to a recipient, certain  
9 information delineated in this subsection is not known, then  
10 the provider shall submit the information to the commercial  
11 financing database within 30 days after the information  
12 becoming ascertainable.

13 (e) For sales-based financings, the provider shall submit  
14 the following information to the commercial financing  
15 database:

- 16 (1) the FEIN for the recipient;
- 17 (2) the zip code of the recipient;
- 18 (3) the date on which the disclosure required under  
19 Section 45 was provided;
- 20 (4) the origination date of the sales-based financing;
- 21 (5) the total amount of commercial financing;
- 22 (6) the disbursed amount after any amount deducted or  
23 withheld at disbursement, if different than the financing  
24 amount;
- 25 (7) the finance charge;
- 26 (8) the estimated annual percentage rate as disclosed

1 to the recipient under paragraph (3) of Section 45;

2 (9) the total repayment amount;

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

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

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

10 (13) whether the projected sales volume used to  
11 determine the estimated annual percentage rate, estimated  
12 term, and projected payments provided in the disclosure  
13 under Section 45 were determined according to the  
14 historical method described in subparagraph (A) of  
15 paragraph (3) of Section 45 or according to the  
16 underwriting method described in subparagraph (B) of  
17 paragraph (3) of Section 45;

18 (14) the amount of any finance charge the recipient  
19 would be required to pay if the recipient elects to pay off  
20 or refinance the sales-based financing before full  
21 repayment, as disclosed to the recipient;

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

24 (16) the position of any lien taken;

25 (17) upon full repayment, if the sales-based financing  
26 includes a true-up mechanism, the number of true-ups

1 provided;

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

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

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

9 (f) For closed-end financing for which interest charges  
10 that accrue on the outstanding balance represent a minority of  
11 the finance charge submit, the following information to the  
12 commercial financing database:

13 (1) the FEIN for the recipient;

14 (2) the zip code of the recipient;

15 (3) the date on which the disclosure required under  
16 Section 50 was provided;

17 (4) the origination date;

18 (5) the total amount of commercial financing;

19 (6) the disbursed amount after any amount deducted or  
20 withheld at disbursement, if different than the financing  
21 amount;

22 (7) the finance charge;

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

25 (9) the total repayment amount;

26 (10) the term of the financing;

1 (11) the frequency of payment;

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

5 (13) the amount of any finance charge the recipient  
6 would be required to pay if the recipient elects to pay off  
7 or refinance the commercial financing before full  
8 repayment, other than interest accrued since the last  
9 payment, as disclosed to the recipient;

10 (14) whether the recipient would be required to pay  
11 any additional fees not already included in the finance  
12 charge if the recipient elects to pay off or refinance the  
13 commercial financing before full repayment, as disclosed  
14 to the recipient;

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

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

18 (17) all other information requested by the  
19 Department.

20 (g) All personally identifiable information and  
21 information identifying the identity of a recipient obtained  
22 by way of the commercial financing database is strictly  
23 confidential and shall be exempt from disclosure under the  
24 Freedom of Information Act and any other law or regulation  
25 pertaining to the disclosure of information or documents. The  
26 Department may, by rule, identify any additional categories of

1 information the disclosure of which would be contrary to the  
2 public interest. Any request for production of information  
3 from the commercial financing database, whether by subpoena,  
4 notice, or any other source, shall be referred to the  
5 Department. Any recipient may authorize in writing the release  
6 of database information. The Department may use the  
7 information in the database without the consent of the  
8 recipient or the registrant:

9 (1) for the purposes of administering and enforcing  
10 the program;

11 (2) to prepare industry-level reports;

12 (3) to provide information to the appropriate law  
13 enforcement agency or the applicable administrative or  
14 regulatory agency with a legitimate interest in the  
15 information as determined by the Secretary;

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

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

19 (h) A registrant who submits information to a certified  
20 database provider in accordance with this Section shall not be  
21 liable to any person for any subsequent release or disclosure  
22 of that information by the certified database provider, the  
23 Department, or any other person acquiring possession of the  
24 information, regardless of whether the subsequent release or  
25 disclosure was lawful, authorized, or intentional.

26 (i) In certifying a commercially reasonable method of

1 reporting, the Department shall ensure that the commercial  
2 financing database:

3 (1) provides real-time access through an Internet  
4 connection;

5 (2) is accessible to the Department and to registrants  
6 in order to ensure compliance with this Act and in order to  
7 provide any other information that the Department deems  
8 necessary;

9 (3) requires registrants to input whatever information  
10 is required by the Department;

11 (4) maintains a real-time copy of the required  
12 reporting information that is available to the Department  
13 at all times and is the property of the Department; and

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

17 (j) The certified commercial financing database may charge  
18 a fee to a registrant not to exceed \$1 for each financing  
19 entered into the database. The certified commercial financing  
20 database shall not charge any additional fees or charges.

21 (k) The certified commercial financing database provider  
22 shall produce an annual report for the Department using the  
23 data submitted by registrants to the database. The Department  
24 may publish this report to the public.

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



1 severable under Section 1.31 of the Statute on Statutes.

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

4 (5 ILCS 140/7.5)

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

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

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

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

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

21 (d) Information and records held by the Department of  
22 Public Health and its authorized representatives relating  
23 to known or suspected cases of sexually transmissible  
24 disease or any information the disclosure of which is

1 restricted under the Illinois Sexually Transmissible  
2 Disease Control Act.

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

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

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

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

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

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

24 (k) Law enforcement officer identification information  
25 or driver identification information compiled by a law  
26 enforcement agency or the Department of Transportation

1 under Section 11-212 of the Illinois Vehicle Code.

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

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

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

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

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

1 Regional Transportation Authority Act, or the St. Clair  
2 County Transit District under the Bi-State Transit Safety  
3 Act (repealed).

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

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

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

10 (t) (Blank).

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

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

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

1 (w) Personally identifiable information which is  
2 exempted from disclosure under subsection (g) of Section  
3 19.1 of the Toll Highway Act.

4 (x) Information which is exempted from disclosure  
5 under Section 5-1014.3 of the Counties Code or Section  
6 8-11-21 of the Illinois Municipal Code.

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

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

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

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

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

26 (dd) Information that is prohibited from being

1 disclosed under Section 45 of the Condominium and Common  
2 Interest Community Ombudsperson Act.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



1 July 1, 2025.

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

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

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

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

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

18 (lll) (Reserved).

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

22 (nnn) Information exempt from disclosure under Section  
23 165 of the Small Business Financing Transparency Act.

24 (Source: P.A. 102-36, eff. 6-25-21; 102-237, eff. 1-1-22;  
25 102-292, eff. 1-1-22; 102-520, eff. 8-20-21; 102-559, eff.  
26 8-20-21; 102-813, eff. 5-13-22; 102-946, eff. 7-1-22;

1 102-1042, eff. 6-3-22; 102-1116, eff. 1-10-23; 103-8, eff.  
2 6-7-23; 103-34, eff. 6-9-23; 103-142, eff. 1-1-24; 103-372,  
3 eff. 1-1-24; 103-508, eff. 8-4-23; 103-580, eff. 12-8-23;  
4 revised 1-2-24.)

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

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

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

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

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

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

1 Disease Control Act.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

9 (t) (Blank).

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

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

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

26 (w) Personally identifiable information which is

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

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

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

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

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

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

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

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

1 Interest Community Ombudsperson Act.

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

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

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

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

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

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

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

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

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

26 (nn) Information that is exempt from disclosure under

1 Section 70 of the Higher Education Student Assistance Act.

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

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

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

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

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

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

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

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

26 (ww) Information that is exempt from disclosure under



1 Section 16.8 of the State Treasurer Act.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

22 (nnn) Information exempt from disclosure under Section  
23 165 of the Small Business Financing Transparency Act.

24 (Source: P.A. 102-36, eff. 6-25-21; 102-237, eff. 1-1-22;  
25 102-292, eff. 1-1-22; 102-520, eff. 8-20-21; 102-559, eff.  
26 8-20-21; 102-813, eff. 5-13-22; 102-946, eff. 7-1-22;

1 102-1042, eff. 6-3-22; 102-1116, eff. 1-10-23; 103-8, eff.  
2 6-7-23; 103-34, eff. 6-9-23; 103-142, eff. 1-1-24; 103-372,  
3 eff. 1-1-24; 103-472, eff. 8-1-24; 103-508, eff. 8-4-23;  
4 103-580, eff. 12-8-23; revised 1-2-24.)

5 Section 905. The Consumer Fraud and Deceptive Business  
6 Practices Act is amended by adding Section 2EEEE as follows:

7 (815 ILCS 505/2EEEE new)

8 Sec. 2EEEE. Violations of the Small Business Financing  
9 Transparency Act. Any person who violates the Small Business  
10 Financing Transparency Act commits an unlawful practice within  
11 the meaning of this Act.

12 Section 995. No acceleration or delay. Where this Act  
13 makes changes in a statute that is represented in this Act by  
14 text that is not yet or no longer in effect (for example, a  
15 Section represented by multiple versions), the use of that  
16 text does not accelerate or delay the taking effect of (i) the  
17 changes made by this Act or (ii) provisions derived from any  
18 other Public Act.

19 Section 999. Effective date. This Act takes effect upon  
20 becoming law."