

1 AN ACT relating to fees in connection with revolving
2 credit plans.

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

5 Section 5. The Illinois Financial Services Development
6 Act is amended by changing Sections 5 and 6 as follows:

7 (205 ILCS 675/5) (from Ch. 17, par. 7005)

8 Sec. 5. Interest charges; limitation. A financial
9 institution may charge and collect interest under a revolving
10 credit plan on outstanding unpaid indebtedness in the
11 borrower's account under the plan at such periodic percentage
12 rate or rates as the agreement governing the plan provides or
13 as established in the manner provided in the agreement
14 governing the plan. If the agreement governing the revolving
15 credit plan so provides, the periodic percentage rate or
16 rates of interest under such plan may vary in accordance with
17 a schedule or formula. Such periodic percentage rate or
18 rates may vary from time to time as the rate determined in
19 accordance with such schedule or formula varies and such
20 periodic percentage rate or rates, as so varied, may be made
21 applicable to all outstanding unpaid indebtedness under the
22 plan on or after the effective date of such variation,
23 including any such indebtedness arising out of purchases made
24 or loans obtained prior to such variation in the periodic
25 percentage rate or rates. If the applicable periodic
26 percentage rate under the agreement governing the plan is
27 other than daily, periodic interest may be calculated on an
28 amount not in excess of the average of outstanding unpaid
29 indebtedness for the applicable billing period, determined by
30 dividing the total of the amounts of outstanding unpaid
31 indebtedness for each day in the applicable billing period by

1 the number of days in the billing period. If the applicable
2 periodic percentage rate under the agreement governing the
3 plan is monthly, a billing period shall be deemed to be a
4 month or monthly if the last day of each billing period is on
5 the same day of each month or does not vary by more than 4
6 days therefrom.

7 (Source: P.A. 85-1432.)

8 (205 ILCS 675/6) (from Ch. 17, par. 7006)

9 Sec. 6. Interest and other fees; limitation. In addition
10 to or in lieu of interest at a periodic rate or rates as
11 provided in Section 5, and without limitation of the
12 foregoing Section 4, a financial institution may, if the
13 agreement governing the revolving credit plan so provides,
14 charge and collect as interest, in such manner or form as the
15 plan may provide, an annual or other periodic fee for the
16 privileges made available to the borrower under the plan, a
17 transaction charge or charges, late fees or delinquency
18 charges, returned payment charges, over limit charges and
19 fees for services rendered.

20 (Source: P.A. 85-1432.)