

AN ACT concerning regulation.

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

Section 5. The Collateral Recovery Act is amended by changing Sections 35, 45, 50, and 75 as follows:

(225 ILCS 422/35)

(Section scheduled to be repealed on January 1, 2022)

Sec. 35. Application for repossession agency licensure.

(a) Application for original licensure as a repossession agency shall be made to the Commission in writing on forms prescribed by the Commission and shall be accompanied by the appropriate documentation and the required fee, and the fee is nonrefundable.

(b) Every application shall state, in addition to any other requirements, (i) the name of the applicant, (ii) the name under which the applicant shall do business, (iii) the proposed location of the agency by number, street, and city, and (iv) the proposed location of the agency's remote storage location or locations by number, street, and city, (v) the proposed location of the Agency's branch office or branch offices by number, street, and city, and (vi) the usual business hours that the agency shall maintain.

(c) No license may be issued (i) in any fictitious name

that may be confused with or is similar to any federal, state, county, or municipal government function or agency, (ii) in any name that may tend to describe any business function or enterprise not actually engaged in by the applicant, (iii) in any name that is the same as or similar to any existing licensed company and that would tend to deceive the public, (iv) in any name that would tend to be deceptive or misleading, or (v) to any repossession agency applicant without that agency's location or branch office location maintaining a secured storage facility as defined in Section 10 of this Act.

(d) If the applicant for repossession agency licensure is an individual, then his or her application shall include (i) the full residential address of the applicant and (ii) either the sworn statement of the applicant declaring that he or she is the licensed recovery manager who shall be personally in control of the agency for which the licensure is sought, or the name and signed sworn statement of the licensed recovery manager who shall be in control or management of the agency.

(e) If the applicant for repossession agency licensure is a partnership, then the application shall include (i) a statement of the names and full residential addresses of all partners in the business and (ii) a sworn statement signed by each partner verifying the name of the person who is a licensed recovery manager and shall be in control or management of the business. If a licensed recovery manager who is not a partner shall be in control or management of the agency, then he or she

must also sign the sworn statement. The application shall also state whether any of the partners has ever used an alias.

(f) If the applicant for licensure as a repossession agency is a corporation, then the application shall include (i) the names and full residential addresses of all corporation officers and (ii) a sworn statement signed by a duly authorized officer of the corporation verifying the name of the person who is a licensed recovery manager and shall be in control or management of the agency. If a licensed recovery manager who is not an officer shall be in control or management of the agency, then he or she must also sign the sworn statement. The application shall also state whether any of the officers has ever used an alias.

(g) If the applicant for licensure as a repossession agency is a limited liability company, then the application shall include (i) the names and full residential addresses of all members and (ii) a sworn statement signed by each member verifying the name of the person who is a licensed recovery manager and shall be in control or management of the agency. If a licensed recovery manager who is not a member shall be in control or management of the agency, then he or she must also sign the sworn statement. The application shall also state whether any of the members has ever used an alias.

(h) Each individual, partner of a partnership, officer of a corporation, or member of a limited liability company shall submit with the application a copy of a valid State or U.S.

~~government-issued photo identification card one form of personal identification upon which must appear a photograph taken within one year immediately preceding the date of the filing of the application.~~ An applicant who is 21 years of age or older seeking a religious exemption to the photograph requirement of this subsection shall furnish with the application an approved copy of United States Department of the Treasury Internal Revenue Service Form 4029. Regardless of age, an applicant seeking a religious exemption to this photograph requirement shall submit fingerprints in a form and manner prescribed by the Commission with his or her application in lieu of a photograph.

(i) No examination shall be required for licensure as a repossession agency by the Commission.

(j) The Commission may require any additional information that, in the judgment of the Commission, shall enable the Commission to determine the qualifications of the applicant for licensure.

(k) Applicants have 90 days from the date of application to complete the application process. If the application has not been completed within 90 days, then the application shall be denied, the fee shall be forfeited, and the applicant must reapply and meet the requirements in effect at the time of reapplication.

(l) Nothing in this Section precludes a domestic or foreign limited liability company being licensed as a

repossession agency.

(m) A repossession agency license may be transferable upon prior notice to the Commission and upon completion of all requirements relative to the application process for repossession agency licensure.

(n) Repossessions performed in this State must be performed by repossession agencies, their employees, or agents licensed by the Commission, with the exception of financial institutions or the employees of a financial institution that are exempt under subsection (d) of Section 30 of this Act.

(Source: P.A. 97-576, eff. 7-1-12; 98-848, eff. 1-1-15.)

(225 ILCS 422/45)

(Section scheduled to be repealed on January 1, 2022)

Sec. 45. Repossession agency employee requirements.

(a) All employees of a licensed repossession agency whose duties include the actual repossession of collateral must apply for a recovery permit. The holder of a repossession agency license issued under this Act, known in this Section as the "employer", may employ in the conduct of the business under the following provisions:

(1) No person may be issued a recovery permit who meets any of the following criteria:

(A) Is younger than 21 years of age.

(B) Has been convicted of a crime identified in paragraph (3) of subsection (a) of Section 80 of this

Act and the Commission determines the ability of the person to engage in the position for which a permit is sought is impaired as a result of the conviction.

(C) Has had a license or recovery permit denied, suspended, or revoked under this Act.

(D) Has not successfully completed a certification program approved by the Commission.

(2) No person may be employed by a repossession agency under this Section until he or she has executed and furnished to the Commission, on forms furnished by the Commission, a verified statement to be known as an "Employee's Statement" setting forth all of the following:

(A) The person's full name, age, and residence address.

(B) The business or occupation engaged in for the 5 years immediately before the date of the execution of the statement, the place where the business or occupation was engaged in, and the names of the employers, if any.

(C) That the person has not had a license or recovery permit denied, revoked, or suspended under this Act.

(D) Any conviction of a felony, except as provided for in Section 85.

(E) Any other information as may be required by any rule of the Commission to show the good character,

competency, and integrity of the person executing the statement.

(b) Each applicant for a recovery permit shall have his or her fingerprints submitted to the Commission by a Live Scan fingerprint vendor certified by the Illinois State Police under the Private Detective, Private Alarm, Private Security, Fingerprint Vendor, and Locksmith Act of 2004 in an electronic format that complies with the form and manner for requesting and furnishing criminal history record information as prescribed by the Illinois State Police. These fingerprints shall be checked against the Illinois State Police and Federal Bureau of Investigation criminal history record databases now and hereafter filed. The Commission shall charge applicants a fee for conducting the criminal history records check, which shall not exceed the actual cost of the records check. The Illinois Commerce Commission Police shall furnish, pursuant to positive identification, records of Illinois convictions to the Commission. The Commission, in its discretion, may allow an applicant who does not have reasonable access to a designated vendor to provide his or her fingerprints in an alternative manner. The Commission, in its discretion, may also use other procedures in performing or obtaining criminal history records checks of applicants. Instead of submitting his or her fingerprints, an individual may submit proof that is satisfactory to the Commission that an equivalent security clearance has been conducted.

(c) Qualified applicants shall purchase a recovery permit from the Commission and in a form that the Commission prescribes. The Commission shall notify the submitting person within 14 ~~10~~ days after receipt of a criminal history records check from the Illinois Commerce Commission Police conducted pursuant to subsection (b) ~~the application~~ of its intent to issue ~~or deny~~ the recovery permit or set the matter for an administrative hearing before an administrative law judge to assist the Commission in determining whether the applicant is fit pursuant to Section 80. The holder of a recovery permit shall carry the recovery permit at all times while actually engaged in the performance of the duties of his or her employment. No recovery permit shall be effective unless accompanied by a license issued by the Commission. Expiration and requirements for renewal of recovery permits shall be established by rule of the Commission. Possession of a recovery permit does not in any way imply that the holder of the recovery permit is employed by any agency unless the recovery permit is accompanied by the employee identification card required by subsection (e) of this Section.

(d) Each employer shall maintain a record of each employee that is accessible to the duly authorized representatives of the Commission. The record shall contain all of the following information:

- (1) A photograph taken within 10 days after the date that the employee begins employment with the employer. The

photograph shall be replaced with a current photograph every 3 calendar years.

(2) The Employee's Statement specified in paragraph (2) of subsection (a) of this Section.

(3) All correspondence or documents relating to the character and integrity of the employee received by the employer from any official source or law enforcement agency.

(4) In the case of former employees, the employee identification card of that person issued under subsection (e) of this Section.

(e) Every employer shall furnish an employee identification card to each of his or her employees. This subsection (e) shall not apply to office or clerical personnel. This employee identification card shall contain a recent photograph of the employee, the employee's name, the name and agency license number of the employer, the employee's personal description, the signature of the employer, the signature of that employee, the date of issuance, and an employee identification card number.

(f) No employer may issue an employee identification card to any person who is not employed by the employer in accordance with this Section or falsely state or represent that a person is or has been in his or her employ. It is unlawful for an applicant for registration to file with the Commission the fingerprints of a person other than himself or herself or to

fail to exercise due diligence in resubmitting replacement fingerprints for those employees who have had original fingerprint submissions returned as unclassifiable. An agency shall inform the Commission within 15 days after contracting or employing a licensed repossession agency employee. The Commission shall develop a registration process by rule.

(g) Every employer shall obtain the identification card of every employee who terminates employment with the employer. An employer shall immediately report an identification card that is lost or stolen to the local police department having jurisdiction over the repossession agency location.

(h) No agency may employ any person to perform any activity under this Act unless the person possesses a valid license or recovery permit under this Act.

(i) If information is discovered affecting the registration of a person whose fingerprints were submitted under this Section, then the Commission shall so notify the agency that submitted the fingerprints on behalf of that person.

(j) A person employed under this Section shall have 15 business days within which to notify the Commission of any change in employer, ~~but may continue working under any other recovery permits granted as an employee or independent contractor.~~ A recovery employee may work under the recovery permit for multiple licensed repossession agencies.

(k) This Section applies only to those employees of

licensed repossession agencies whose duties include actual repossession of collateral.

(1) An applicant who is 21 years of age or older seeking a religious exemption to the photograph requirement of this Section shall furnish with his or her application an approved copy of United States Department of the Treasury Internal Revenue Service Form 4029. Regardless of age, an applicant seeking a religious exemption to this photograph requirement shall submit fingerprints in a form and manner prescribed by the Commission with his or her application in lieu of a photograph.

(Source: P.A. 100-286, eff. 1-1-18; 100-948, eff. 1-1-19.)

(225 ILCS 422/50)

(Section scheduled to be repealed on January 1, 2022)

Sec. 50. Fees.

(a) The license and permit fees required under this Act are as follows:

- (1) Class "R" license (recovery agency), \$825.
- (2) Class "RR" license (branch office), \$425.
- (3) Class "MR" license (recovery agency manager), \$325.
- (4) Class "E" recovery permit, \$75.
- (5) Class "EE" recovery permit (recovery agent intern), \$75.

An agency shall submit an application to register any

remote storage location or locations. The Commission shall develop by rule the requirements for registering remote storage locations. The fee for each registration shall not exceed \$300 as set by the Commission.

(b) The Commission may establish by rule a fee for the replacement or revision of a license or recovery permit.

(c) The fees set forth in this Act or by rule ~~Section~~ must be paid by certified check or money order, or at the discretion of the Commission, by agency check at the time of application. The Commission, at its discretion, may also allow for the submission of electronic payments. An applicant filing an application, registration, or form that carries a fee, must pay the associated fee at the time the application, registration, or form is filed. Once paid, all fees are non-refundable ~~An applicant for a Class "E", Class "EE", or Class "MR" license or permit must pay the license or permit fee at the time the application is made. If a license or permit is revoked or denied, or if an application is withdrawn, then the license or permit fee shall not be refunded.~~

(Source: P.A. 97-576, eff. 7-1-12.)

(225 ILCS 422/75)

(Section scheduled to be repealed on January 1, 2022)

Sec. 75. Licenses and recovery permits; renewals; restoration; person in military service.

(a) An original Class "R" license, Class "RR" license, and

Class "MR" license shall expire 2 years after the date of issuance.

(b) An original Class "E" recovery permit and Class "EE" recovery permit shall expire one year after the date of issuance.

(c) A renewal Class "R" license, Class "RR" license and Class "MR" license shall expire 2 years after the date of renewal.

(d) A renewal Class "E" recovery permit and Class "EE" recovery permit shall expire one year after the date of renewal.

(e) The following are guidelines for the classes of licensure and registration:

(1) Any person, firm, company, partnership, or corporation that engages in business as a recovery agency shall have a Class "R" license. A Class "R" license is valid for only one location.

(2) Each branch office of a Class "R" agency shall have a Class "RR" license.

(3) Any individual who performs the services of a manager for a Class "R" recovery agency or a Class "RR" branch office must have a Class "MR" license.

(4) Any individual who performs recovery services as a repossession agency employee for a Class "R" recovery agency or a Class "RR" branch office must have a Class "E" recovery permit.

(5) Any individual who performs repossessions as an intern under the direction and control of a designated, sponsoring Class "E" recovery permit or a designated, sponsoring Class "MR" license shall have a Class "EE" recovery permit.

(6) An individual shall have a Class "MR" or Class "E" recovery permit if he or she owns or is an employee of a Class "R" agency or Class "RR" branch office.

(7) Class "MR", Class "E", and Class "EE" licenses and recovery permits are not transferable.

(f) At least 90 days prior to the expiration of a license or recovery permit, the Commission shall send mail to the license or permit holder a renewal notice ~~form in the form and manner prescribed by the Commission~~. The license holder or recovery permit holder must complete and submit a mail the renewal application ~~form~~ to the Commission, pay any fines assessed, and pay any renewal fee required by the Commission. Applications for renewal of a license or permit shall be filed with the Commission no earlier than 90 days, and not later than 45 days, prior to the expiration of a license or permit. When a license holder or permit holder has made such timely and sufficient application for the renewal of a license or recovery permit, the existing license or recovery permit shall continue in full force and effect until the final agency decision on the application has been made, unless a later date is fixed by order of a reviewing court.

(g) Any person or entity that has permitted a license or recovery permit to expire may have that license or recovery permit restored by making an application to the Commission within one year after the expiration of a repossession agency's license or a qualified manager license or within 30 days after the expiration of a recovery permit, filing proof acceptable to the Commission of fitness to have the license or recovery permit restored, and paying the required restoration fee. However, any person whose license or recovery permit expired while (i) in federal service on active duty with the Armed Forces of the United States or called into service or training with the State militia or (ii) in training or education under the supervision of the United States preliminary to induction into military service may have his or her license or recovery permit renewed or restored without paying any lapsed renewal fees, if within 2 years after honorable termination of the service, training, or education, except under condition other than honorable, he or she furnishes the Commission with satisfactory evidence to the effect that he or she has been so engaged and that the service, training, or education has been so terminated.

(h) A suspended repossession agency license, recovery manager license, or recovery permit is subject to expiration as set forth in this Section. Renewal of a certificate or registration card does not entitle the license holder or recovery permit holder, while the license or recovery permit

remains suspended and until it is reinstated, to engage in the licensed or permitted activity.

(i) A revoked repossession agency license, recovery manager license, or recovery permit is subject to expiration as set forth in this Section; however, it may not be renewed. If a revoked license or recovery permit is reinstated after its expiration, then the license holder or recovery permit holder, as a condition of reinstatement, shall pay a reinstatement fee in an amount equal to the renewal fee in effect on the last regular renewal date prior to the date on which the license or recovery permit is reinstated and any additional delinquency fee required by the Commission.

(j) Any person or entity that notifies the Commission, in writing on forms prescribed by the Commission, may place a license or recovery permit on inactive status and shall be excused from the payment of renewal fees until the person or entity notifies the Commission in writing of the intention to resume active practice. Any person or entity requesting that a license or recovery permit be changed from inactive to active status shall be required to pay the current renewal fee.

(k) Any repossession agency license holder, recovery manager license holder, or recovery permit holder whose license or recovery permit is nonrenewed or on inactive status shall not engage in the practice of recovery in this State or use the title or advertise that he, she, or it performs the services of a licensed repossession agency, licensed recovery

manager, or repossession agency employee.

(l) Any person violating subsection (k) of this Section shall be considered to be operating a repossession agency without a license, acting as a recovery manager without a license, or acting as a repossession agency employee without a recovery permit and is subject to the disciplinary provisions of this Act.

(m) A repossession agency license, recovery manager license, or recovery permit that is not renewed within 3 years after its expiration may not be renewed, restored, reinstated, or reissued thereafter. The holder of the license or recovery permit may obtain a new license or recovery permit only upon compliance with all of the provisions of this Act concerning the issuance of original licenses or recovery permits.

(Source: P.A. 97-576, eff. 7-1-12.)