



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB3554

Introduced 2/18/2025, by Rep. Margaret Croke

SYNOPSIS AS INTRODUCED:

5 ILCS 80/4.36	
205 ILCS 740/2	was 225 ILCS 425/2
205 ILCS 740/2.03	was 225 ILCS 425/2.03
205 ILCS 740/2.04	was 225 ILCS 425/2.04
205 ILCS 740/4	was 225 ILCS 425/4
205 ILCS 740/4.5	was 225 ILCS 425/4.5
205 ILCS 740/9	was 225 ILCS 425/9
205 ILCS 740/9.1	was 225 ILCS 425/9.1
205 ILCS 740/13.2	was 225 ILCS 425/13.2
205 ILCS 740/14b	was 225 ILCS 425/14b
205 ILCS 740/16	was 225 ILCS 425/16
205 ILCS 740/17	was 225 ILCS 425/17
205 ILCS 740/18	was 225 ILCS 425/18
205 ILCS 740/19	was 225 ILCS 425/19
205 ILCS 740/20	was 225 ILCS 425/20
205 ILCS 740/22	was 225 ILCS 425/22
205 ILCS 740/23	was 225 ILCS 425/23
205 ILCS 740/35	was 225 ILCS 425/35
205 ILCS 740/3 rep.	
205 ILCS 740/13.1 rep.	

Amends the Regulatory Sunset Act. Removes the Collection Agency Act from the list of Acts being repealed under the Act. Amends the Collection Agency Act. Makes changes concerning defined terms; exempt persons and entities under the Act; unlicensed practice; disciplinary actions; communication; informal conferences; penalties; investigations; the record of hearing; oaths; findings and recommendations; hearings; orders; and returned payments. Provides that the fee rate a collection agency can charge may be modified by rule to not less than 25% of the amount of child support actually collected by the collection agency but not greater than 35%. Repeals provisions concerning the Collection Agency Licensing and Disciplinary Board and provisions concerning when a person acts as a collection agency. Makes other changes.

LRB104 12039 BAB 22134 b

1 AN ACT concerning regulation.

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

4 Section 5. The Regulatory Sunset Act is amended by
5 changing Section 4.36 as follows:

6 (5 ILCS 80/4.36)

7 Sec. 4.36. Acts repealed on January 1, 2026. The following
8 Acts are repealed on January 1, 2026:

9 The Barber, Cosmetology, Esthetics, Hair Braiding, and
10 Nail Technology Act of 1985.

11 ~~The Collection Agency Act.~~

12 The Hearing Instrument Consumer Protection Act.

13 The Illinois Athletic Trainers Practice Act.

14 The Illinois Dental Practice Act.

15 The Illinois Roofing Industry Licensing Act.

16 The Illinois Physical Therapy Act.

17 The Professional Geologist Licensing Act.

18 The Respiratory Care Practice Act.

19 (Source: P.A. 99-26, eff. 7-10-15; 99-204, eff. 7-30-15;
20 99-227, eff. 8-3-15; 99-229, eff. 8-3-15; 99-230, eff. 8-3-15;
21 99-427, eff. 8-21-15; 99-469, eff. 8-26-15; 99-492, eff.
22 12-31-15; 99-642, eff. 7-28-16.)

1 Section 10. The Collection Agency Act is amended by
2 changing Sections 2, 2.03, 2.04, 4, 4.5, 9, 9.1, 11, 13.2, 14b,
3 16, 17, 18, 19, 20, 22, 23, and 35 as follows:

4 (205 ILCS 740/2) (was 225 ILCS 425/2)

5 (Section scheduled to be repealed on January 1, 2026)

6 Sec. 2. Definitions. In this Act:

7 "Address of record" means the designated address recorded
8 by the Department in the applicant's or licensee's application
9 file or license file as maintained by the Department
10 ~~Department's licensure maintenance unit.~~

11 ~~"Board" means the Collection Agency Licensing and~~
12 ~~Disciplinary Board.~~

13 "Charge-off balance" means an account principal and other
14 legally collectible costs, expenses, and interest accrued
15 prior to the charge-off date, less any payments or settlement.

16 "Charge-off date" means the date on which a receivable is
17 treated as a loss or expense.

18 "Collection agency" means any person who: ~~in the~~
19 ~~ordinary course of business, regularly,~~ (1) engages in the
20 business of collection of any debt for others; (2) engages in
21 the business of receiving, by assignment or otherwise, debt
22 from any person who owns or controls 20% or more of the
23 business receiving the assignment with the purpose of
24 collecting moneys due on such debt; (3) sells or attempts to
25 sell, or gives away or attempts to give away to any other

1 person, other than a person licensed under this Act, any
2 system of collection, letters, demand forms, or other printed
3 matter where the name of any person, other than that of the
4 creditor, appears in such a manner as to indicate, directly or
5 indirectly, that a request or demand is being made by any
6 person other than the creditor for the payment of the sum or
7 sums due or asserted to be due; (4) engages in the business of
8 buying debt; (5) engages in the business of using a fictitious
9 name in collecting its own accounts, bills, or debts with the
10 intention of conveying to the debtor that a third party has
11 been employed to make such collection; or (6) engages in the
12 business of collection of a check or other payment that is
13 returned unpaid by the financial institution upon which it is
14 drawn ~~on behalf of himself or herself or others,~~ engages in the
15 collection of a debt.

16 "Consumer debt" or "consumer credit" means money or
17 property, or their equivalent, due or owing or alleged to be
18 due or owing from a natural person by reason of a consumer
19 credit transaction.

20 "Credit transaction" means a transaction between a natural
21 person and another person in which property, service, or money
22 is acquired on credit by that natural person from such other
23 person primarily for personal, family, or household purposes.

24 "Creditor" means a person who extends ~~consumer~~ credit to a
25 debtor.

26 "Current balance" means the charge-off balance plus any

1 legally collectible costs, expenses, and interest, less any
2 credits or payments.

3 "Debt" means money, property, or their equivalent which is
4 due or owing or alleged to be due or owing from a person to
5 another person.

6 "Debt buyer" means a person ~~or entity~~ that is engaged in
7 the business of purchasing delinquent or charged-off consumer
8 loans or consumer credit accounts or other delinquent consumer
9 debt for collection purposes, whether it collects the debt
10 itself or hires a third party to collect ~~third party for~~
11 ~~collection~~ or hires an attorney-at-law for litigation ~~in order~~
12 to collect such debt.

13 "Debtor" means a person from whom a collection agency
14 seeks to collect a consumer or commercial debt that is due and
15 owing or alleged to be due and owing from such person.

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

18 "Email address of record" means the designated email
19 address recorded by the Department in the applicant's
20 application file or the licensee's license file, as maintained
21 by the Department ~~Department's licensure maintenance unit~~.

22 ~~"Person" means a natural person, partnership, corporation,~~
23 ~~limited liability company, trust, estate, cooperative,~~
24 ~~association, or other similar entity.~~

25 "Licensed collection agency" means a person who is
26 licensed under this Act to act as a collection agency ~~to engage~~

1 ~~in the practice of debt collection~~ in Illinois.

2 "Multi-state licensing system" means a web-based platform
3 that allows licensure applicants to submit their applications
4 and renewals to the Department online.

5 "Person" means a natural person, partnership, corporation,
6 limited liability company, trust, estate, cooperative,
7 association, or other similar entity.

8 "Secretary" means the Secretary of Financial and
9 Professional Regulation or the Secretary's ~~his or her~~
10 designee.

11 (Source: P.A. 102-975, eff. 1-1-23.)

12 (205 ILCS 740/2.03) (was 225 ILCS 425/2.03)

13 (Section scheduled to be repealed on January 1, 2026)

14 Sec. 2.03. Exemptions. This Act does not apply to ~~persons~~
15 ~~whose collection activities are confined to and are directly~~
16 ~~related to the operation of a business other than that of a~~
17 ~~collection agency, and specifically does not include~~ the
18 following:

19 1. Banks, including trust departments, affiliates, and
20 subsidiaries thereof, and fiduciaries, ~~and financing and~~
21 ~~lending institutions~~ (except those who own or operate
22 collection agencies);

23 2. Abstract companies doing an escrow business;

24 3. Real estate brokers when acting in the pursuit of
25 their profession;

1 4. Public officers and judicial officers acting under
2 order of a court;

3 5. Licensed attorneys at law;

4 6. Insurance companies;

5 7. Credit unions, including affiliates and
6 subsidiaries thereof (except those who own or operate
7 collection agencies);

8 8. Persons ~~Loan and finance companies, including~~
9 ~~entities~~ licensed pursuant to the Residential Mortgage
10 License Act of 1987 when engaged in activity authorized
11 under that Act;

12 9. Retail sellers ~~stores~~ collecting on retail
13 installment contracts or retail charge agreements
14 originated by the retail seller ~~their own accounts;~~

15 10. Unit Owner's Associations established under the
16 Condominium Property Act, and their duly authorized
17 agents, when collecting assessments from unit owners; ~~and~~

18 11. Any person ~~or business~~ under contract with a
19 creditor to notify the creditor's debtors of a debt using
20 only the creditor's name; ~~;~~

21 12. Persons licensed pursuant to the Sales Finance
22 Agency Act when engaged in collection of accounts
23 purchased or loans made pursuant to that Act;

24 13. Persons licensed pursuant to the Student Loan
25 Servicing Act when engaged in activity authorized under
26 that Act;

1 14. Persons licensed pursuant to the Consumer
2 Installment Loan Act when engaged in collection of loans
3 that were originated under that Act;

4 15. Persons engaged in the business of originating
5 loans of money pursuant to the Interest Act when engaged
6 in collecting loans that originated under that Act;

7 16. Motor vehicle retail sellers collecting motor
8 vehicle retail installment contracts originated by the
9 motor vehicle retail seller;

10 17. Any person licensed pursuant to the Consumer Legal
11 Funding Act when engaged in activity authorized by that
12 Act;

13 18. Any person licensed pursuant to the Pawnbroker
14 Regulation Act of 2023 when engaged in activity authorized
15 by that Act; and

16 19. Any person identified by the Department by rule.

17 (Source: P.A. 99-227, eff. 8-3-15.)

18 (205 ILCS 740/2.04) (was 225 ILCS 425/2.04)

19 (Section scheduled to be repealed on January 1, 2026)

20 Sec. 2.04. Child support debt.

21 (a) Collection agencies engaged in the business of
22 collecting child support debt owing under a court order as
23 provided under the Illinois Public Aid Code, the Illinois
24 Marriage and Dissolution of Marriage Act, the Non-Support
25 Punishment Act, the Illinois Parentage Act of 1984, the

1 Illinois Parentage Act of 2015, or similar laws of other
2 states are not restricted (i) in the frequency of contact with
3 an obligor who is in arrears, whether by phone, mail, or other
4 means, (ii) from contacting the employer of an obligor who is
5 in arrears, (iii) from publishing or threatening to publish a
6 list of obligors in arrears, (iv) from disclosing or
7 threatening to disclose an arrearage that the obligor
8 disputes, but for which a verified notice of delinquency has
9 been served under the Income Withholding for Support Act (or
10 any of its predecessors, Section 10-16.2 of the Illinois
11 Public Aid Code, Section 706.1 of the Illinois Marriage and
12 Dissolution of Marriage Act, Section 22 of the Non-Support
13 Punishment Act, Section 26.1 of the Revised Uniform Reciprocal
14 Enforcement of Support Act, or Section 20 of the Illinois
15 Parentage Act of 1984), or (v) from engaging in conduct that
16 would not cause a reasonable person mental or physical
17 illness. For purposes of this subsection, "obligor" means an
18 individual who owes a duty to make periodic payments, under a
19 court order, for the support of a child. "Arrearage" means the
20 total amount of an obligor's unpaid child support obligations.

21 (a-5) A collection agency may not impose a fee or charge,
22 including costs, for any child support payments collected
23 through the efforts of a federal, State, or local government
24 agency, including but not limited to child support collected
25 from federal or State tax refunds, unemployment benefits, or
26 Social Security benefits.

1 No collection agency that collects child support payments
2 shall (i) impose a charge or fee, including costs, for
3 collection of a current child support payment, (ii) fail to
4 apply collections to current support as specified in the order
5 for support before applying collection to arrears or other
6 amounts, or (iii) designate a current child support payment as
7 arrears or other amount owed. In all circumstances, the
8 collection agency shall turn over to the obligee all support
9 collected in a month up to the amount of current support
10 required to be paid for that month.

11 As to any fees or charges, including costs, retained by
12 the collection agency, that agency shall provide documentation
13 to the obligee demonstrating that the child support payments
14 resulted from the actions of the agency.

15 After collection of the total amount or arrearage,
16 including statutory interest, due as of the date of execution
17 of the collection contract, no further fees may be charged.

18 (a-10) ~~A The Department shall determine a fee rate of not~~
19 ~~less than 25% but not greater than 35%, based upon~~
20 ~~presentation by the licensees as to costs to provide the~~
21 ~~service and a fair rate of return. This rate shall be~~
22 ~~established by administrative rule. Without prejudice to the~~
23 ~~determination by the Department of the appropriate rate~~
24 ~~through administrative rule,~~ a collection agency shall impose
25 a fee of not more than 29% of the amount of child support
26 actually collected by the collection agency subject to the

1 provisions of subsection (a-5). This rate may be modified by
2 rule to a fee rate of not less than 25% but not greater than
3 35% ~~This interim rate is based upon the March 2002 General~~
4 ~~Account Office report "Child Support Enforcement", GAO-02-349.~~
5 ~~This rate shall apply until a fee rate is established by~~
6 ~~administrative rule.~~

7 (b) The Department shall adopt rules necessary to
8 administer and enforce the provisions of this Section.

9 (Source: P.A. 99-85, eff. 1-1-16; 99-227, eff. 8-3-15; 99-642,
10 eff. 7-28-16.)

11 (205 ILCS 740/4) (was 225 ILCS 425/4)

12 (Section scheduled to be repealed on January 1, 2026)

13 Sec. 4. No collection agency shall operate in this State,
14 directly or indirectly engage in the business of collecting
15 debt, solicit debt claims for others, have a sales office, a
16 client, or solicit a client in this State, exercise the right
17 to collect, or receive payment for another of any debt,
18 without obtaining a license under this Act. Notwithstanding
19 any other provision of this Section, except that no collection
20 agency shall be required to be licensed if the agency's
21 activities in this State are limited to collecting debts from
22 debtors located in this State by means of interstate
23 communication, including telephone, mail, or facsimile
24 transmission, electronic mail, or any other Internet
25 communication from the agency's location in another state

1 provided they are licensed in that state and these same
2 privileges are permitted in that licensed state to agencies
3 licensed in Illinois.

4 (Source: P.A. 99-227, eff. 8-3-15.)

5 (205 ILCS 740/4.5) (was 225 ILCS 425/4.5)

6 (Section scheduled to be repealed on January 1, 2026)

7 Sec. 4.5. Unlicensed practice; violation; civil penalty.

8 (a) Any person who practices, offers to practice, attempts
9 to practice, or holds oneself out to practice as a collection
10 agency without being licensed under this Act shall, in
11 addition to any other penalty provided by law, pay a civil
12 penalty to the Department in an amount not to exceed \$10,000
13 for each offense as determined by the Department. The civil
14 penalty shall be assessed by the Department after an
15 opportunity for a hearing ~~a hearing is held~~ in accordance with
16 the provisions set forth in this Act regarding the provision
17 of a hearing for the discipline of a licensee.

18 (b) The Department has the authority and power to
19 investigate any and all unlicensed activity. In addition to
20 taking any other action provided under this Act, whenever the
21 Department has reason to believe a person has violated any
22 provision of subsection (a) of this Section, the Department
23 may issue a rule to show cause why an order to cease and desist
24 should not be entered against that person. The rule shall
25 clearly set forth the grounds relied upon by the Department

1 and shall provide a period of 7 days from the date of the rule
2 to file an answer to the satisfaction of the Department.
3 Failure to answer to the satisfaction of the Department shall
4 provide the Department authority to issue an order to cease
5 and desist immediately.

6 (c) The civil penalty shall be paid within 30 ~~60~~ days after
7 the effective date of the order imposing the civil penalty.
8 The order shall constitute a judgment and may be filed and
9 executed in the same manner as any judgment from any court of
10 record.

11 (d) All moneys collected under this Section shall be
12 deposited into the Financial Institution Fund.

13 (Source: P.A. 102-205, eff. 7-30-21; 102-975, eff. 1-1-23.)

14 (205 ILCS 740/9) (was 225 ILCS 425/9)

15 (Section scheduled to be repealed on January 1, 2026)

16 Sec. 9. Disciplinary actions.

17 (a) The Department may refuse to issue or renew, or may
18 revoke, suspend, place on probation, reprimand, or take other
19 disciplinary or non-disciplinary action as the Department may
20 deem proper, including fines not to exceed \$10,000 per
21 violation, for any one or any combination of the following
22 causes:

23 (1) Material misstatement in furnishing information to
24 the Department.

25 (2) Violations of this Act or of the rules promulgated

1 hereunder.

2 (3) Conviction by plea of guilty or nolo contendere,
3 finding of guilt, jury verdict, or entry of judgment or by
4 sentencing of any crime, including, but not limited to,
5 convictions, preceding sentences of supervision,
6 conditional discharge, or first offender probation of the
7 collection agency or any of the officers or owners of more
8 than 10% interest of the agency of any crime under the laws
9 of any U.S. jurisdiction that (i) is a felony, (ii) is a
10 misdemeanor, an essential element of which is dishonesty,
11 or (iii) is directly related to the practice of a
12 collection agency.

13 (4) Fraud or misrepresentation in applying for, or
14 procuring, a license under this Act or in connection with
15 applying for renewal of a license under this Act.

16 (5) Aiding or assisting another person in violating
17 any provision of this Act or rules adopted under this Act.

18 (6) Failing, within 60 days, to provide information in
19 response to a written request made by the Department.

20 (7) Habitual or excessive use or addiction to alcohol,
21 narcotics, stimulants or any other chemical agent or drug
22 which results in the inability to practice with reasonable
23 judgment, skill, or safety by any of the officers or
24 owners of 10% or more interest of a collection agency.

25 (8) Discipline by another agency of this State,
26 another state, the District of Columbia, a territory of

1 the United States, or a foreign nation, if at least one of
2 the grounds for the discipline is the same or
3 substantially equivalent to those set forth in this Act.

4 (9) A finding by the Department that the licensee,
5 after having his or her license placed on probationary
6 status, has violated the terms of probation.

7 (10) Willfully making or filing false records or
8 reports in his or her practice, including, but not limited
9 to, false records filed with State agencies or
10 departments.

11 (11) Practicing or attempting to practice under a
12 false or, except as provided by law, an assumed name.

13 (12) An adjudicated finding by the Federal Trade
14 Commission or other federal or State agency that a
15 licensee violated the federal Fair Debt Collection
16 Practices Act or its rules.

17 (13) Failure to file a return, or to pay the tax,
18 penalty or interest shown in a filed return, or to pay any
19 final assessment of tax, penalty or interest, as required
20 by any tax Act administered by the Illinois Department of
21 Revenue until such time as the requirements of any such
22 tax Act are satisfied.

23 (14) Using or threatening to use force or violence to
24 cause physical harm to a debtor, his or her family or his
25 or her property.

26 (15) Threatening to instigate an arrest or criminal

1 prosecution where no basis for a criminal complaint
2 lawfully exists.

3 (16) Threatening the seizure, attachment or sale of a
4 debtor's property where such action can only be taken
5 pursuant to court order without disclosing that prior
6 court proceedings are required.

7 (17) Disclosing or threatening to disclose information
8 adversely affecting a debtor's reputation for credit
9 worthiness with knowledge the information is false.

10 (18) Threatening to initiate communication with a
11 debtor's employer unless there has been a default of the
12 payment of the obligation for at least 30 days and the
13 licensee has given at least 5 days prior written notice of
14 the intention to communicate with the employer to the
15 employee to the last known address of the debtor.

16 (19) Communicating with the debtor or any member of
17 the debtor's family at such a time of day or night and with
18 such frequency as to constitute harassment of the debtor
19 or any member of the debtor's family. For purposes of this
20 Section the following conduct shall constitute harassment:

21 (A) Communicating with the debtor or any member of
22 his or her family in connection with the collection of
23 any debt without the prior consent of the debtor given
24 directly to the debt collector, or the express
25 permission of a court of competent jurisdiction, at
26 any unusual time or place or a time or place known or

1 which should be known to be inconvenient to the
2 debtor. In the absence of knowledge of circumstances
3 to the contrary, a debt collector shall assume that
4 the convenient time for communicating with a consumer
5 is after 8 o'clock a.m. and before 9 o'clock p.m. in
6 the debtor's local time.

7 (B) The threat of publication or publication of a
8 list of consumers who allegedly refuse to pay debts,
9 except to a consumer reporting agency.

10 (C) The threat of advertisement or advertisement
11 for sale of any debt to coerce payment of the debt.

12 (D) Causing a telephone to ring or engaging any
13 person in telephone conversation repeatedly or
14 continuously with intent to annoy, abuse, or harass
15 any person at the called number.

16 (20) Using profane, obscene, or abusive language in
17 communicating with a debtor, his or her family, or others.

18 (21) Disclosing or threatening to disclose information
19 relating to a debtor's debt to any other person except
20 where such other person has a legitimate business need for
21 the information or except where such disclosure is
22 permitted by law.

23 (22) Disclosing or threatening to disclose information
24 concerning the existence of a debt which the collection
25 agency knows to be disputed by the debtor without
26 disclosing the fact that the debtor disputes the debt.

1 (23) Engaging in any conduct that is intended to cause
2 and did cause mental or physical illness to the debtor or
3 his or her family.

4 (24) Attempting or threatening to enforce a right or
5 remedy with knowledge or reason to know that the right or
6 remedy does not exist.

7 (25) Failing to disclose to the debtor or his or her
8 family the legally authorized corporate, partnership or
9 proprietary name, or other trade or business name, under
10 which the collection agency is engaging in debt
11 collections.

12 (26) Using any form of communication which simulates
13 legal or judicial process or which gives the appearance of
14 being authorized, issued, or approved by a governmental
15 agency or official or by an attorney at law when it is not.

16 (27) Using any badge, uniform, or other indicia of any
17 governmental agency or official except as authorized by
18 law.

19 (28) Conducting business under any name or in any
20 manner which suggests or implies that the collection
21 agency is a branch of or is affiliated in any way with a
22 governmental agency or court if such collection agency is
23 not.

24 (29) Failing to disclose, at the time of making any
25 demand for payment, the name of the person to whom the debt
26 is owed and at the request of the debtor, the address where

1 payment is to be made and the address of the person to whom
2 the debt is owed.

3 (30) Misrepresenting the amount of the debt alleged to
4 be owed.

5 (31) Representing that an existing debt may be
6 increased by the addition of attorney's fees,
7 investigation fees or any other fees or charges when such
8 fees or charges may not legally be added to the existing
9 debt.

10 (32) Falsely representing ~~Representing~~ that the
11 collection agency is an attorney at law or an agent for an
12 attorney ~~if he or she is not~~.

13 (33) Collecting or attempting to collect any interest
14 or other charge or fee in excess of the actual debt unless
15 such interest or other charge or fee is expressly
16 authorized by the agreement creating the debt unless
17 expressly authorized by law or unless in a commercial
18 transaction such interest or other charge or fee is
19 expressly authorized in a subsequent agreement. If a
20 contingency or hourly fee arrangement (i) is established
21 under an agreement between a collection agency and a
22 creditor to collect a debt and (ii) is paid by a debtor
23 pursuant to a contract between the debtor and the
24 creditor, then that fee arrangement does not violate this
25 Section unless the fee is unreasonable. The Department
26 shall determine what constitutes a reasonable collection

1 fee.

2 (34) Communicating or threatening to communicate with
3 a debtor when the collection agency is informed in writing
4 by an attorney that the attorney represents the debtor
5 concerning the debt. If the attorney fails to respond
6 within a reasonable period of time, the collector may
7 communicate with the debtor. The collector may communicate
8 with the debtor when the debtor's attorney gives ~~his or~~
9 ~~her~~ consent.

10 (35) Engaging in dishonorable, unethical, or
11 unprofessional conduct of a character likely to deceive,
12 defraud, or harm the public.

13 (b) No collection agency while collecting or attempting to
14 collect a debt shall engage in any of the Acts specified in
15 this Section, each of which shall be unlawful practice.

16 (Source: P.A. 102-975, eff. 1-1-23.)

17 (205 ILCS 740/9.1) (was 225 ILCS 425/9.1)

18 (Section scheduled to be repealed on January 1, 2026)

19 Sec. 9.1. Communication with persons other than debtor.
20 Any collection agency communicating with any person other than
21 the debtor for the purpose of acquiring location information
22 about the debtor shall:

23 (1) identify himself or herself, state that he or she
24 is confirming or correcting location information
25 concerning the consumer, and, only if expressly requested,

1 identify his or her employer;

2 (2) not state that the consumer owes any debt;

3 (3) not communicate with any person more than once
4 unless requested to do so by the person or unless the
5 collection agency reasonably believes that the earlier
6 response of the person is erroneous or incomplete and that
7 the person now has correct or complete location
8 information;

9 (4) not communicate by postcard;

10 (5) not use any language or symbol on any envelope or
11 in the contents of any communication effected by mail or
12 telegram that indicates that the collection agency is in
13 the debt collection business or that the communication
14 relates to the collection of a debt; and

15 (6) not communicate with any person other than the
16 debtor's attorney after the collection agency knows the
17 debtor is represented by an attorney with regard to the
18 subject debt and has knowledge of or can readily ascertain
19 the attorney's name and address, unless the attorney fails
20 to respond within a reasonable period of time, not less
21 than 30 days, to communication from the collection agency.

22 This Section applies to a collection agency or debt buyer
23 only when engaged in the collection of consumer debt.

24 (Source: P.A. 99-227, eff. 8-3-15; 99-500, eff. 1-29-16.)

25 (205 ILCS 740/13.2) (was 225 ILCS 425/13.2)

1 (Section scheduled to be repealed on January 1, 2026)

2 Sec. 13.2. Powers and duties of Department. The Department
3 shall exercise the powers and duties prescribed by the
4 Financial Institutions Act for the administration of licensing
5 Acts and shall exercise such other powers and duties necessary
6 for effectuating the purposes of this Act.

7 Subject to the provisions of this Act, the Department may:

8 (1) Conduct hearings on proceedings to refuse to issue
9 or renew or to revoke licenses or suspend, place on
10 probation, or reprimand persons licensed under this Act.

11 (2) To adopt rules consistent with the purposes of
12 this Act, including, but not limited to: (i) rules in
13 connection with the activities of collection agencies as
14 may be necessary and appropriate for the protection of
15 consumers in this State; (ii) rules as may be necessary
16 and appropriate to define and enforce against improper or
17 fraudulent business practices in connection with the
18 activities of collection agencies; (iii) rules that define
19 the terms used in this Act and as may be necessary and
20 appropriate to interpret and implement the provisions of
21 this Act; and (iv) rules as may be necessary for the
22 enforcement of this Act.

23 ~~(3) Obtain written recommendations from the Board~~
24 ~~regarding standards of professional conduct, formal~~
25 ~~disciplinary actions and the formulation of rules~~
26 ~~affecting these matters. Notice of proposed rulemaking~~

1 ~~shall be transmitted to the Board and the Department shall~~
2 ~~review the response of the Board and any recommendations~~
3 ~~made in the response. The Department may solicit the~~
4 ~~advice of the Board on any matter relating to the~~
5 ~~administration and enforcement of this Act.~~

6 (4) (Blank).

7 (Source: P.A. 102-975, eff. 1-1-23; 103-1014, eff. 8-9-24.)

8 (205 ILCS 740/14b) (was 225 ILCS 425/14b)

9 (Section scheduled to be repealed on January 1, 2026)

10 Sec. 14b. Penalty of unlawful practice; second and
11 subsequent offenses. Any person ~~entity~~ that practices or
12 offers to practice as a collection agency in this State
13 without being licensed for that purpose, or whose license is
14 suspended, revoked, or expired, or that violates any of the
15 provisions of this Act for which no specific penalty has been
16 provided herein, is guilty of a Class A misdemeanor.

17 Any person ~~entity~~ that has been previously convicted under
18 any of the provisions of this Act and that subsequently
19 violates any of the provisions of this Act is guilty of a Class
20 4 felony. In addition, whenever any person ~~entity~~ is punished
21 as a subsequent offender under this Section, the Secretary
22 shall proceed to obtain a permanent injunction against that
23 person ~~such entity~~ under Section 14a of this Act.

24 (Source: P.A. 99-227, eff. 8-3-15.)

1 (205 ILCS 740/16) (was 225 ILCS 425/16)

2 (Section scheduled to be repealed on January 1, 2026)

3 Sec. 16. Investigation; notice and hearing. The Department
4 may investigate and conduct periodic examinations of the
5 actions or qualifications of any applicant or of any person
6 rendering or offering to render collection agency services or
7 any person holding or claiming to hold a license as a
8 collection agency. The Department shall, before refusing to
9 issue or renew, revoking, suspending, placing on probation,
10 reprimanding, or taking any other disciplinary action under
11 Section 9 of this Act, serve notice on any person, including a
12 statement of the reasons for the Department's action, and
13 notify the person that they may file a Petition for a Hearing
14 with the Department within 30 days of service. All hearings
15 shall be conducted in accordance with 38 Ill. Adm. Code 100. At
16 the discretion of the Secretary, ~~after having first received~~
17 ~~the recommendation of the Board~~, the accused person's license
18 may be suspended or revoked, if the evidence constitutes
19 sufficient grounds for such action under this Act. Written or
20 electronic notice may be served by personal delivery, mail, or
21 email to the applicant or licensee at the address of record or
22 email address of record. Service by mail is completed when the
23 notice is deposited in the U.S. Mail. Service to the email
24 address of record is completed when the email is sent.

25 (Source: P.A. 102-975, eff. 1-1-23.)

1 (205 ILCS 740/17) (was 225 ILCS 425/17)

2 (Section scheduled to be repealed on January 1, 2026)

3 Sec. 17. Record of hearing; transcript. The Department, at
4 its expense, shall preserve a record of all proceedings at the
5 formal hearing of any case. The notice of hearing, complaint,
6 all other documents in the nature of pleadings, written
7 motions filed in the proceedings, the transcript of testimony,
8 ~~the report of the Board,~~ and orders of the Department shall be
9 in the record of the proceedings.

10 (Source: P.A. 99-227, eff. 8-3-15; 100-132, eff. 8-18-17.)

11 (205 ILCS 740/18) (was 225 ILCS 425/18)

12 (Section scheduled to be repealed on January 1, 2026)

13 Sec. 18. Subpoenas; oaths; attendance of witnesses.

14 (a) The Department has the power to subpoena documents,
15 books, records, or other materials and to bring before it any
16 person and to take testimony either orally or by deposition,
17 or both, with the same fees and mileage and in the same manner
18 as prescribed in civil cases in the courts of this State.

19 (b) The Secretary ~~and~~ and the designated hearing officer have
20 ~~and every member of the Board has~~ power to administer oaths
21 to witnesses at any hearing that the Department is authorized
22 to conduct and any other oaths authorized in any Act
23 administered by the Department.

24 (c) Any circuit court may, upon application of the
25 Department or designee or of the applicant or licensee against

1 whom proceedings under this Act are pending, enter an order
2 requiring the attendance of witnesses and their testimony, and
3 the production of documents, papers, files, books, and records
4 in connection with any hearing or investigations. The court
5 may compel obedience to its order by proceedings for contempt.

6 (Source: P.A. 99-227, eff. 8-3-15.)

7 (205 ILCS 740/19) (was 225 ILCS 425/19)

8 (Section scheduled to be repealed on January 1, 2026)

9 Sec. 19. Findings and recommendations. At the conclusion
10 of the hearing, the hearing officer ~~Board~~ shall present to the
11 Secretary a written report of its findings of fact,
12 conclusions of law, and recommendations. The report shall
13 contain a finding whether or not the accused person violated
14 this Act or the rules adopted under this Act or failed to
15 comply with the conditions required in this Act or those
16 rules. The hearing officer ~~Board~~ shall specify the nature of
17 the violation or failure to comply and shall make its
18 recommendations to the Secretary.

19 The report of findings of fact and ~~and~~ conclusions of law ~~and~~
20 ~~and recommendation of the Board~~ shall be the basis for the
21 Department's order for refusing to issue, restore, or renew a
22 license, or otherwise disciplining a licensee, or for the
23 granting of a license. If the Secretary disagrees with the
24 report, findings of fact, and conclusions of law, ~~and~~
25 ~~recommendations of the Board~~, the Secretary may issue an order

1 in contravention of the hearing officer's ~~Board's~~
2 recommendations. The finding is not admissible in evidence
3 against the person in a criminal prosecution brought for the
4 violation of this Act, but the hearing and finding are not a
5 bar to a criminal prosecution brought for the violation of
6 this Act.

7 (Source: P.A. 99-227, eff. 8-3-15.)

8 (205 ILCS 740/20) (was 225 ILCS 425/20)

9 (Section scheduled to be repealed on January 1, 2026)

10 Sec. 20. Rehearing ~~Board; rehearing~~. At the conclusion of
11 the hearing, a copy of the hearing officer's ~~Board's~~ report
12 shall be served upon the applicant or licensee by the
13 Department, either personally or as provided in this Act for
14 the service of the notice of hearing. Within 20 calendar days
15 after the service, the applicant or licensee may present to
16 the Department a motion in writing for a rehearing which shall
17 specify the particular grounds for rehearing. The Department
18 may respond to the motion for rehearing within 20 days after
19 its service on the Department, and the applicant or licensee
20 may reply within 7 days thereafter. If no motion for rehearing
21 is filed, then upon the expiration of the time specified for
22 filing a motion, or if a motion for rehearing is denied, then
23 upon denial, the Secretary may enter an order in accordance
24 with the recommendations of the hearing officer ~~Board~~, except
25 as provided for in Section 19. If the applicant or licensee

1 orders a transcript of the record from the reporting service
2 and pays for it within the time for filing a motion for
3 rehearing, the 20 day period within which a motion for
4 rehearing may be filed shall commence upon the delivery of the
5 transcript to the applicant or licensee.

6 (Source: P.A. 99-227, eff. 8-3-15.)

7 (205 ILCS 740/22) (was 225 ILCS 425/22)

8 (Section scheduled to be repealed on January 1, 2026)

9 Sec. 22. Appointment of a hearing officer. The Secretary
10 has the authority to appoint any attorney duly licensed to
11 practice law in the State of Illinois to serve as the hearing
12 officer in any action for refusal to issue, restore, or renew a
13 license or to discipline a licensee. The hearing officer shall
14 have full authority to conduct the hearing. A Board member or
15 members may, but are not required to, attend hearings. The
16 hearing officer shall report his or her findings of fact,
17 conclusions of law, and recommendations to the Board. The
18 Board shall review the report of the hearing officer and
19 present its findings of fact, conclusions of law, and
20 recommendations to the Secretary and to all parties to the
21 proceeding. If the Secretary disagrees with the recommendation
22 ~~of the Board or~~ of the hearing officer, the Secretary may issue
23 an order in contravention of the recommendation.

24 (Source: P.A. 99-227, eff. 8-3-15.)

1 (205 ILCS 740/23) (was 225 ILCS 425/23)

2 (Section scheduled to be repealed on January 1, 2026)

3 Sec. 23. Order or certified copy; prima facie proof. An
4 order or a certified copy thereof, over the seal of the
5 Department and purporting to be signed by the Secretary, shall
6 be prima facie proof that:

7 (1) the signature is the genuine signature of the
8 Secretary; and

9 (2) the Secretary is duly appointed and qualified. ~~+~~
10 ~~and~~

11 ~~(3) the Board and its members are qualified to act.~~

12 (Source: P.A. 99-227, eff. 8-3-15.)

13 (205 ILCS 740/35) (was 225 ILCS 425/35)

14 (Section scheduled to be repealed on January 1, 2026)

15 Sec. 35. Returned checks; fines. Any person who delivers a
16 check or other payment to the Department that is returned to
17 the Department unpaid by the financial institution upon which
18 it is drawn shall pay to the Department, in addition to the
19 amount already owed to the Department, a fine of \$50. The fines
20 imposed by this Section are in addition to any other
21 discipline provided under this Act for unlicensed practice or
22 practice on a non-renewed license. The Department shall notify
23 the person ~~entity~~ that payment of fees and fines shall be paid
24 to the Department by certified check or money order within 30
25 calendar days of the notification. If, after the expiration of

1 30 days from the date of notification, the person has failed to
2 submit the necessary remittance, the Department shall
3 automatically terminate the license or deny the application,
4 without hearing. If, after the termination or denial, the
5 person ~~entity~~ seeks a license, it shall apply to the
6 Department for restoration or issuance of the license and pay
7 all fees and fines due to the Department. The Department may
8 establish a fee for the processing of an application for
9 restoration of a license to pay all expenses of processing
10 this application. The Secretary may waive the fines due under
11 this Section in individual cases where the Secretary finds
12 that the fines would be unreasonable or unnecessarily
13 burdensome.

14 (Source: P.A. 99-227, eff. 8-3-15.)

15 (205 ILCS 740/3 rep.)

16 (205 ILCS 740/13.1 rep.)

17 Section 15. The Collection Agency Act is amended by
18 repealing Sections 3 and 13.1.