



## 104TH GENERAL ASSEMBLY

### State of Illinois

2025 and 2026

HB5262

Introduced 2/10/2026, by Rep. Justin Slaughter

#### SYNOPSIS AS INTRODUCED:

205 ILCS 670/17.5

Amends the Consumer Installment Loan Act. In provisions concerning consumer reporting service, changes the definition of "title-secured loan" to specify that the length of a title-secured loan is less than 12 months. Provides that licensees that do not submit information to at least one consumer reporting agency that compiles and maintains files on consumers on a nationwide basis shall enter information (instead of licensees shall enter information) regarding each loan into the certified database and shall follow the Department of Financial and Professional Regulation's related rules.

LRB104 18643 BAB 32086 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 Consumer Installment Loan Act is amended by  
5 changing Section 17.5 as follows:

6 (205 ILCS 670/17.5)

7 Sec. 17.5. Consumer reporting service.

8 (a) For the purpose of this Section, "certified database"  
9 means the consumer reporting service database established  
10 pursuant to the Payday Loan Reform Act. "Title-secured loan"  
11 means a loan less than 12 months in length in which, at  
12 commencement, a consumer provides to the licensee, as security  
13 for the loan, physical possession of the consumer's title to a  
14 motor vehicle.

15 (b) Licensees that do not submit information to at least  
16 one consumer reporting agency that compiles and maintains  
17 files on consumers on a nationwide basis, as that term is used  
18 in 15 U.S.C. 1681a(p), shall enter information regarding each  
19 loan into the certified database and shall follow the  
20 Department's related rules.

21 (c) For every title-secured loan made, the licensee shall  
22 input information as provided in 38 Ill. Adm. Code 110.420.

23 (d) The certified database provider shall indemnify the

1 licensee against all claims and actions arising from illegal  
2 or willful or wanton acts on the part of the certified database  
3 provider. The certified database provider may charge a fee not  
4 to exceed \$1 for each loan entered into the certified  
5 database. The database provider shall not charge any  
6 additional fees or charges to the licensee.

7 (Source: P.A. 101-658, eff. 3-23-21.)