

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 Acts repealed on January 1, 2026.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8 Acts are repealed on January 1, 2026: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, 13.1,  
3 13.2, 14b, 16, 17, 18, 19, 20, 22, 23, 24, 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5 (Section scheduled to be repealed on January 1, 2026)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 ordinary  
19 course of business, regularly<sup>7</sup>: (1) engages in the business of  
20 collection of any debt for others; (2) engages in the business  
21 of receiving, by assignment or otherwise, debt from any person  
22 who owns or controls 20% or more of the business receiving the  
23 assignment with the purpose of collecting moneys due on such  
24 debt; (3) sells or attempts to sell, or gives away or attempts  
25 to give away to any other person, other than a person licensed

1 under this Act, any system of collection, letters, demand  
2 forms, or other printed matter where the name of any person,  
3 other than that of the creditor, appears in such a manner as to  
4 indicate, directly or indirectly, that a request or demand is  
5 being made by any person other than the creditor for the  
6 payment of the sum or sums due or asserted to be due; (4)  
7 engages in the business of buying debt; (5) engages in the  
8 business of using a fictitious name in collecting its own  
9 accounts, bills, or debts with the intention of conveying to  
10 the debtor that a third party has been employed to make such  
11 collection; or (6) engages in the business of collection of a  
12 check or other payment that is returned unpaid by the  
13 financial institution upon which it is drawn ~~on behalf of~~  
14 ~~himself or herself or others, engages in the collection of a~~  
15 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 they 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 they 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 they 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", CAO 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 a hearing is  
15 held in accordance with the provisions set forth in this Act  
16 regarding the provision of a hearing for the discipline of a  
17 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 740/11) (was 225 ILCS 425/11)

1 (Section scheduled to be repealed on January 1, 2026)

2 Sec. 11. Consent orders ~~Informal conferences. Informal~~  
3 ~~conferences, after a formal hearing is requested, shall be~~  
4 ~~conducted with at least one member of the Board in attendance.~~

5 Notwithstanding any provisions concerning the conduct of  
6 hearings and recommendations for disciplinary actions, the  
7 Department has the authority to negotiate agreements with  
8 licensees and applicants resulting in disciplinary or  
9 non-disciplinary consent orders. The consent orders may  
10 provide for any of the forms of discipline provided in this  
11 Act. The consent orders shall provide that they were not  
12 entered into as a result of any coercion by the Department.

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

14 (205 ILCS 740/13.1) (was 225 ILCS 425/13.1)

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

16 Sec. 13.1. Annual meeting between debt collection industry  
17 and the Department Collection Agency Licensing and  
18 Disciplinary Board; members; qualifications; duties. The  
19 Department shall, if requested to do so by at least 20  
20 interested persons or an association representing at least 20  
21 interested persons, meet at least once per calendar year with  
22 representatives of the debt collection industry to discuss  
23 developments in the lawful collection of debt and issues  
24 confronting the Department in its regulation and discipline of  
25 collection agencies.

1       ~~(a) There is created in the Department the Collection~~  
2 ~~Agency Licensing and Disciplinary Board composed of 7 members~~  
3 ~~appointed by the Secretary. Five members of the Board shall be~~  
4 ~~employed in a collection agency licensed under this Act and 2~~  
5 ~~members of the Board shall represent the general public, shall~~  
6 ~~not be employed by or possess an ownership interest in any~~  
7 ~~collection agency licensed under this Act, and shall have no~~  
8 ~~family or business connection with the practice of collection~~  
9 ~~agencies.~~

10       ~~(b) Each of the members appointed to the Board, except for~~  
11 ~~the public members, shall have at least 5 years of active~~  
12 ~~collection agency experience.~~

13       ~~(c) The Board shall annually elect a chairperson from~~  
14 ~~among its members. The members of the Board shall receive no~~  
15 ~~compensation for their services, but shall be reimbursed for~~  
16 ~~their necessary expenses as authorized by the Department while~~  
17 ~~engaged in their duties.~~

18       ~~(d) Members shall serve for a term of 4 years and until~~  
19 ~~their successors are appointed and qualified. No Board member~~  
20 ~~shall be appointed to more than 2 full consecutive terms. A~~  
21 ~~partial term of more than 2 years shall be considered a full~~  
22 ~~term. Appointments to fill vacancies for the unexpired portion~~  
23 ~~of a vacated term shall be made in the same manner as original~~  
24 ~~appointments. All members shall serve until their successors~~  
25 ~~are appointed and qualified.~~

26       ~~(e) The Secretary may remove any member of the Board for~~

1 ~~cause at any time before the expiration of his or her term. The~~  
2 ~~Secretary shall be the sole arbiter of cause.~~

3 ~~(f) The majority of the Board shall constitute a quorum. A~~  
4 ~~vacancy in the membership of the Board shall not impair the~~  
5 ~~right of a quorum to exercise all the duties of the Board.~~

6 ~~(g) Members of the Board shall have no liability in any~~  
7 ~~action based upon any disciplinary proceeding or other~~  
8 ~~activity performed in good faith as a member of the Board.~~

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

10 (205 ILCS 740/13.2) (was 225 ILCS 425/13.2)

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

12 Sec. 13.2. Powers and duties of Department. The Department  
13 shall exercise the powers and duties prescribed by the  
14 Financial Institutions Act for the administration of licensing  
15 Acts and shall exercise such other powers and duties necessary  
16 for effectuating the purposes of this Act.

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

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

21 (2) To adopt rules consistent with the purposes of  
22 this Act, including, but not limited to: (i) rules in  
23 connection with the activities of collection agencies as  
24 may be necessary and appropriate for the protection of  
25 consumers in this State; (ii) rules as may be necessary

1 and appropriate to define and enforce against improper or  
2 fraudulent business practices in connection with the  
3 activities of collection agencies; (iii) rules that define  
4 the terms used in this Act and as may be necessary and  
5 appropriate to interpret and implement the provisions of  
6 this Act; and (iv) rules as may be necessary for the  
7 enforcement of this Act.

8 ~~(3) Obtain written recommendations from the Board~~  
9 ~~regarding standards of professional conduct, formal~~  
10 ~~disciplinary actions and the formulation of rules~~  
11 ~~affecting these matters. Notice of proposed rulemaking~~  
12 ~~shall be transmitted to the Board and the Department shall~~  
13 ~~review the response of the Board and any recommendations~~  
14 ~~made in the response. The Department may solicit the~~  
15 ~~advice of the Board on any matter relating to the~~  
16 ~~administration and enforcement of this Act.~~

17 (4) (Blank).

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

19 (205 ILCS 740/14b) (was 225 ILCS 425/14b)

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

21 Sec. 14b. Penalty of unlawful practice; second and  
22 subsequent offenses. Any person ~~entity~~ that practices or  
23 offers to practice as a collection agency in this State  
24 without being licensed for that purpose, or whose license is  
25 suspended, revoked, or expired, or that violates any of the

1 provisions of this Act for which no specific penalty has been  
2 provided herein, is guilty of a Class A misdemeanor.

3 Any person ~~entity~~ that has been previously convicted under  
4 any of the provisions of this Act and that subsequently  
5 violates any of the provisions of this Act is guilty of a Class  
6 4 felony. In addition, whenever any person ~~entity~~ is punished  
7 as a subsequent offender under this Section, the Secretary  
8 shall proceed to obtain a permanent injunction against that  
9 person ~~such entity~~ under Section 14a of this Act.

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

11 (205 ILCS 740/16) (was 225 ILCS 425/16)

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

13 Sec. 16. Investigation; notice and hearing. The Department  
14 may investigate and conduct periodic examinations of the  
15 actions or qualifications of any applicant or of any person  
16 rendering or offering to render collection agency services or  
17 any person holding or claiming to hold a license as a  
18 collection agency. The Department shall, before refusing to  
19 issue or renew, revoking, suspending, placing on probation,  
20 reprimanding, or taking any other disciplinary action under  
21 Section 9 of this Act, serve notice on any person, including a  
22 statement of the reasons for the Department's action, and  
23 notify the person that they may file a Petition for a Hearing  
24 with the Department within 30 days of service. All hearings  
25 shall be conducted in accordance with 38 Ill. Adm. Code 100. At

1 the discretion of the Secretary, ~~after having first received~~  
2 ~~the recommendation of the Board~~, the accused person's license  
3 may be suspended or revoked, if the evidence constitutes  
4 sufficient grounds for such action under this Act. Written or  
5 electronic notice may be served by personal delivery, mail, or  
6 email to the applicant or licensee at the address of record or  
7 email address of record. Service by mail is completed when the  
8 notice is deposited in the U.S. Mail. Service to the email  
9 address of record is completed when the email is sent.

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

11 (205 ILCS 740/17) (was 225 ILCS 425/17)

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

13 Sec. 17. Record of hearing; transcript. The Department, at  
14 its expense, shall preserve a record of all proceedings at the  
15 formal hearing of any case. The notice of hearing, complaint,  
16 all other documents in the nature of pleadings, written  
17 motions filed in the proceedings, the transcript of testimony,  
18 ~~the report of the Board~~, and orders of the Department shall be  
19 in the record of the proceedings.

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

21 (205 ILCS 740/18) (was 225 ILCS 425/18)

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

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

24 (a) The Department has the power to subpoena documents,

1 books, records, or other materials and to bring before it any  
2 person and to take testimony either orally or by deposition,  
3 or both, with the same fees and mileage and in the same manner  
4 as prescribed in civil cases in the courts of this State.

5 (b) The Secretary ~~7~~ and the designated hearing officer have  
6 ~~7~~ ~~and every member of the Board has~~ power to administer oaths  
7 to witnesses at any hearing that the Department is authorized  
8 to conduct and any other oaths authorized in any Act  
9 administered by the Department.

10 (c) Any circuit court may, upon application of the  
11 Department or designee or of the applicant or licensee against  
12 whom proceedings under this Act are pending, enter an order  
13 requiring the attendance of witnesses and their testimony, and  
14 the production of documents, papers, files, books, and records  
15 in connection with any hearing or investigations. The court  
16 may compel obedience to its order by proceedings for contempt.

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

18 (205 ILCS 740/19) (was 225 ILCS 425/19)

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

20 Sec. 19. Findings and recommendations. At the conclusion  
21 of the hearing, the hearing officer ~~Board~~ shall present to the  
22 Secretary a written report of its findings of fact,  
23 conclusions of law, and recommendations. The report shall  
24 contain a finding whether or not the accused person violated  
25 this Act or the rules adopted under this Act or failed to

1 comply with the conditions required in this Act or those  
2 rules. The hearing officer ~~Board~~ shall specify the nature of  
3 the violation or failure to comply and shall make its  
4 recommendations to the Secretary.

5 The report of findings of fact and ~~and~~ conclusions of law ~~and~~  
6 ~~and recommendation of the Board~~ shall be the basis for the  
7 Department's order for refusing to issue, restore, or renew a  
8 license, or otherwise disciplining a licensee, or for the  
9 granting of a license. If the Secretary disagrees with the  
10 report, findings of fact, and conclusions of law, ~~and~~  
11 ~~recommendations of the Board~~, the Secretary may issue an order  
12 in contravention of the hearing officer's ~~Board's~~  
13 recommendations. The finding is not admissible in evidence  
14 against the person in a criminal prosecution brought for the  
15 violation of this Act, but the hearing and finding are not a  
16 bar to a criminal prosecution brought for the violation of  
17 this Act.

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

19 (205 ILCS 740/20) (was 225 ILCS 425/20)

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

21 Sec. 20. Rehearing ~~Board; rehearing~~. At the conclusion of  
22 the hearing, a copy of the hearing officer's ~~Board's~~ report  
23 shall be served upon the applicant or licensee by the  
24 Department, either personally or as provided in this Act for  
25 the service of the notice of hearing. Within 20 calendar days

1 after the service, the applicant or licensee may present to  
2 the Department a motion in writing for a rehearing which shall  
3 specify the particular grounds for rehearing. The Department  
4 may respond to the motion for rehearing within 20 days after  
5 its service on the Department, and the applicant or licensee  
6 may reply within 7 days thereafter. If no motion for rehearing  
7 is filed, then upon the expiration of the time specified for  
8 filing a motion, or if a motion for rehearing is denied, then  
9 upon denial, the Secretary may enter an order in accordance  
10 with the recommendations of the hearing officer ~~Board~~, except  
11 as provided for in Section 19. If the applicant or licensee  
12 orders a transcript of the record from the reporting service  
13 and pays for it within the time for filing a motion for  
14 rehearing, the 20 day period within which a motion for  
15 rehearing may be filed shall commence upon the delivery of the  
16 transcript to the applicant or licensee.

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

18 (205 ILCS 740/22) (was 225 ILCS 425/22)

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

20 Sec. 22. Appointment of a hearing officer. The Secretary  
21 has the authority to appoint any attorney duly licensed to  
22 practice law in the State of Illinois to serve as the hearing  
23 officer in any action for refusal to issue, restore, or renew a  
24 license or to discipline a licensee. The hearing officer shall  
25 have full authority to conduct the hearing. ~~A Board member or~~

1 ~~members may, but are not required to, attend hearings.~~ The  
2 hearing officer shall report ~~his or her~~ findings of fact,  
3 conclusions of law, and recommendations to the Secretary and  
4 to all the parties to the proceeding Board. ~~The Board shall~~  
5 ~~review the report of the hearing officer and present its~~  
6 ~~findings of fact, conclusions of law, and recommendations to~~  
7 ~~the Secretary and to all parties to the proceeding.~~ If the  
8 Secretary disagrees with the recommendation ~~of the Board or~~ of  
9 the hearing officer, the Secretary may issue an order in  
10 contravention of the recommendation.

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

12 (205 ILCS 740/23) (was 225 ILCS 425/23)

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

14 Sec. 23. Order or certified copy; prima facie proof. An  
15 order or a certified copy thereof, over the seal of the  
16 Department and purporting to be signed by the Secretary, shall  
17 be prima facie proof that:

18 (1) the signature is the genuine signature of the  
19 Secretary; and

20 (2) the Secretary is duly appointed and qualified. †

21 ~~and~~

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

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

24 (205 ILCS 740/24) (was 225 ILCS 425/24)

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

2 Sec. 24. Restoration of license from discipline. At any  
3 time after the successful completion of a term of indefinite  
4 probation, suspension, or revocation of any license, the  
5 Department may restore the license to the licensee, ~~upon the~~  
6 ~~written recommendation of the Board,~~ unless after an  
7 investigation and a hearing the Secretary determines that  
8 restoration is not in the public interest. No person whose  
9 license or authority has been revoked as authorized in this  
10 Act may apply for restoration of that license or authority  
11 until such time as provided for in the Department of  
12 Professional Regulation Law of the Civil Administrative Code  
13 of Illinois.

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

15 (205 ILCS 740/35) (was 225 ILCS 425/35)

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

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

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

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

17 (205 ILCS 740/3 rep.)

18  
19 Section 15. The Collection Agency Act is amended by  
20 repealing Section 3.