



**93RD GENERAL ASSEMBLY**  
**State of Illinois**  
**2003 and 2004**

Introduced 02/09/04, by Maria Antonia Berrios

**SYNOPSIS AS INTRODUCED:**

205 ILCS 670/22

from Ch. 17, par. 5428

Amends the Consumer Installment Loan Act. Provides that a short-term lender may not charge interest on a short-term loan at an annual percentage rate exceeding 32%. Requires the Department of Financial Institutions to conform its rules to the new provisions.

LRB093 19743 WGH 45484 b

1 AN ACT concerning financial 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 22 as follows:

6 (205 ILCS 670/22) (from Ch. 17, par. 5428)

7 Sec. 22. Rules and regulations.

8 (a) The Department may make and enforce such reasonable  
9 rules, regulations, directions, orders, decisions, and  
10 findings as the execution and enforcement of the provisions of  
11 this Act require, and as are not inconsistent therewith. In  
12 addition, the Department may promulgate rules in connection  
13 with the activities of licensees that are necessary and  
14 appropriate for the protection of consumers in this State. All  
15 rules, regulations and directions of a general character shall  
16 be printed and copies thereof mailed to all licensees.

17 (b) A short-term lender may not charge interest on a  
18 short-term loan at an annual percentage rate exceeding 32%. As  
19 used in this subsection (b):

20 "Title-secured loan" and "short-term lender" have the  
21 meanings ascribed to those terms in the Department's  
22 administrative rules concerning short term lending at 38 Ill.  
23 Adm. Code 110.310 et seq.

24 "Short-term loan" means a loan upon which interest is  
25 charged at an annual percentage rate of 32% and for a term of  
26 not more than 30 days in the case of a non-title-secured loan  
27 or for a term not more than 60 days in the case of a  
28 title-secured loan.

29 (c) The Department shall conform the definition of  
30 "short-term loan" in the Department's administrative rules  
31 concerning short term lending at 38 Ill. Adm. Code 110.310 et  
32 seq. to the definition of "short-term loan" in subsection (b)

1 of this Section.

2 (Source: P.A. 90-437, eff. 1-1-98; 91-698, eff. 5-6-00.)