

ILLINOIS REGISTER

---

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT

TITLE 38: FINANCIAL INSTITUTIONS

CHAPTER I: DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

PART 110

CONSUMER INSTALLMENT LOAN ACT

SUBPART A: GENERAL PROVISIONS

Section

110.1	Definitions
110.10	Minimum Requirements for Office Records
110.15	Application for License; Controlling Person
110.20	Loan Register
110.30	Individual Account Records
110.40	File of Original Papers
110.50	Cash Book
110.60	Alphabetical Record of Co-Makers, Obligors or Guarantors
110.65	Permanent File
110.70	Payments
110.80	Simple Interest Loans
110.90	Cancellation and Return of Documents
110.100	Finance Charges – Rebates and Delinquency Charges
110.110	Hypothecation at the Time of the Sale of Obligor's Notes
110.120	Legal Forms
110.130	Judgments
110.140	Sale of Security
110.150	Trouble File
110.160	Lien Charges
110.170	Insurance
110.180	Office and Office Hours
110.190	Advertising
110.200	Other Business
110.210	Examination Remittances
110.215	Document Preparation Fee
110.220	Credit Practices
110.225	Verification of Amount Owing
110.230	General
110.235	Relocation
110.236	Name Change
110.240	Hearing Procedures
110.250	Limited Purpose Branch

ILLINOIS REGISTER

---

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT

110.260	Off-Site Records
110.265	Servicing of Accounts by Contract
110.270	Revocation or Suspension of License
<u>110.280</u>	<u>Military Protection Provision</u>

SUBPART B: SHORT TERM LENDING

Section	
110.300	Definitions
110.310	Applicability of Rule
110.320	Application for License
110.330	Renewal of License
110.340	Simple Interest
110.350	Release of Lien
110.360	Availability of Debt Management Services
110.370	Lending Limits and Refinancing
110.380	Second Notice
110.390	Possession of Vehicle
110.400	Loan Proceeds
110.410	Security Interest

SUBPART C: MORTGAGE LENDING

Section	
110.500	Definitions (Repealed)
110.505	Applicability of Rule (Repealed)
110.510	Good Faith Requirements (Repealed)
110.515	Fraudulent or Deceptive Practices (Repealed)
110.520	Prohibited Refinances (Repealed)
110.525	Negative Amortization (Repealed)
110.530	Negative Equity (Repealed)
110.535	Balloon Payments (Repealed)
110.540	Financing of Certain Points and Fees (Repealed)
110.545	Financing of Single Premium Insurance Products (Repealed)
110.550	Lending Without Due Regard to Ability to Repay (Repealed)
110.555	Verification of Ability to Repay (Repealed)
110.560	Payments to Contractors (Repealed)
110.565	Counseling Prior to Perfecting Foreclosure (Repealed)
110.570	Mortgage Awareness Program (Repealed)
110.575	Offer of Mortgage Awareness Program (Repealed)
110.580	Third Party Review (Repealed)

ILLINOIS REGISTER

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT

- 110.APPENDIX A Estimated Monthly Income and Expenses Worksheet (Repealed)  
110.APPENDIX B Mortgage Ratio Worksheet (Repealed)  
110.TABLE A Illinois Rule of 78 Fractions for Rebating Charges According to Number of Months Originally Contracted For and Number of Months Prepaid in Full for Contracts of 2 to 120 Months (Repealed)  
110.TABLE B Rule of 78 Percentage Rebate Table (Repealed)

AUTHORITY: Implementing and authorized by Section 22 of the Consumer Installment Loan Act [205 ILCS 670/22].

SOURCE: Filed and effective June 19, 1970; amended at 3 Ill. Reg. 24, p. 16, effective June 15, 1979; emergency amendment at 4 Ill. Reg. 5, p. 372, effective January 16, 1980, for a maximum of 150 days; amended at 4 Ill. Reg. 36, p. 138, effective September 22, 1980; amended at 5 Ill. Reg. 1352, effective February 3, 1981; codified at 7 Ill. Reg. 11721; amended at 9 Ill. Reg. 1343, effective January 17, 1985; amended at 11 Ill. Reg. 2749, effective January 28, 1987; emergency amendment at 11 Ill. Reg. 14141, effective August 7, 1987, for a maximum of 150 days; amended at 12 Ill. Reg. 10456, effective June 7, 1988; amended at 19 Ill. Reg. 44, effective December 22, 1994; amended at 20 Ill. Reg. 5799, effective April 8, 1996; emergency amendment at 22 Ill. Reg. 1485, effective January 2, 1998, for a maximum of 150 days; emergency expired May 31, 1998; amended at 22 Ill. Reg. 13657, effective July 14, 1998; amended at 25 Ill. Reg. 6227, effective May 17, 2001; amended at 25 Ill. Reg. 7456, effective August 1, 2001; expedited correction at 29 Ill. Reg. 5776, effective August 1, 2001; amended at 26 Ill. Reg. 14232, effective October 1, 2002; amended at 30 Ill. Reg. 12558, effective July 7, 2006; amended at 30 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_.

SUBPART A: GENERAL PROVISIONS

**Section 110.280 Military Protection Provision**

All loans made pursuant to the Act to a member of the military must provide the following consumer protections:

- a) "Member of the military" means a person serving in the armed forces of the United States, the Illinois National Guard, or any reserve component of the armed forces of the United States and his or her spouse. "Member of the military" includes those persons engaged in
- 1) active duty

ILLINOIS REGISTER

---

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT

- 2) training or education under the supervision of the United States preliminary to induction into military service
  - 3) a period of active duty with the State of Illinois under Title 10 or Title 32 of the United States Code pursuant to order of the President or the Governor of the State of Illinois.
- b) A licensee may not commit any of the following acts:
- 1) A licensee may not garnish the wages or salaries of a member of the military who is a member of the military.
  - 2) In addition to any rights and obligations provided under the federal Servicemembers Civil Relief Act, a licensee shall suspend and defer collection activity against a consumer who is a member of the military and who has been deployed to a combat or combat support posting for the duration of the deployment.
  - 3) A licensee may not knowingly contact the military chain of command of a consumer who is a member of the military in an effort to collect on a loan.
  - 4) A licensee must honor the terms of any repayment plan that it has entered into with any consumer who is a member of the military including a repayment agreement negotiated through military counselors or third-party credit counselors.
  - 5) A licensee may not offer, solicit, or negotiate a loan on a State of Illinois or United States military base or naval installation.
  - 6) A licensee may not refuse to transact with a military borrower or otherwise discriminate against a military borrower solely on the basis of his or her military status.
- c) Before a loan is made, a licensee shall deliver to a consumer who is a member of the military a pamphlet prepared with information specifically relevant to military borrowers, including all of the following:
- 1) the requirements of this subsection.
  - 2) military policies relating to credit.

ILLINOIS REGISTER

---

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT

- 3) where military members may find financial assistance through established military programs, web sites and a military hotline.
- 4) where military members may find information about local credit counseling alternatives.
- d) A licensee, except those locations already in existence as of December 1, 2006, may not be within one mile of any State of Illinois or United States military base or naval installation.

(Source: Amended at 30 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)