JB PRITZKER
GOVERNOR

March 18, 2021

To the Honorable Members of the Illinois General Assembly:

In compliance with the requirements set forth in the Illinois Regulatory Sunset Act (5 ILCS 80), my office has conducted a review of the Collateral Recovery Act (225 ILCS 422), which is scheduled to sunset on January 1, 2022. As a result of this review, it is recommended to the General Assembly that:

The Collateral Recovery Act (225 ILCS 422) should be continued with modifications to its existing statutory and administrative rule framework (please see page 5 of the accompanying GOMB report).

The Collateral Recovery Act regulates individuals and entities engaged in the business of collateral recovery for the protection of the public. The act protects public health and safety through the requirement of criminal background checks of applicants for a license or recovery permit. Public safety is also protected through the requirement of identification cards to prevent fraudulent and misleading behavior. Upon the issuance of a recovery manager license, the Commission is required to issue the license holder a suitable pocket identification card that shall include a photograph of the license holder and other pertinent information. Furthermore, the Act promotes public welfare by placing insurance requirements on repossession agencies.

The absence of this regulation would pose a significant and direct harm to the welfare of the public. There is currently not sufficient evidence to suggest that the burdens imposed by regulation outweigh the benefits to the health, safety and welfare of the people of Illinois in continuing the regulation of this profession. Consequently, the continuation of this regulation is necessary to ensure the health, safety and welfare of the people of Illinois.

The full report provided by the Governor's Office of Management and Budget is provided as reference.

Very Sincerely and Respectfully,
JB Pritzker
Governor