



OFFICE OF ILLINOIS STATE TREASURER

MICHAEL W. FRERICHS

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CONTACT:

Paris Ervin 217.524.5749

Greg Rivara 312.814.1901

Illinois State Treasurer Michael Frerichs' Statement on Governor Bruce Rauner's Veto of House Bill 4922

SPRINGFIELD – “Instead of siding with Illinois consumers, Governor Bruce Rauner today chose to protect the big banks who admit to deceiving consumers to make money from dormancy or inactivity fees,” Frerichs said.

“If a company promises a \$100 rebate, then that’s the amount the consumer should receive. It’s disappointing that Governor Rauner disagrees.” “House Bill 4922 is common-sense legislation to make sure consumers get all the money that is owed to them, and I will work with the sponsors of both the House and Senate to override this veto.”

House Bill 4922 passed the Illinois House and Senate with bipartisan support. The legislation amends the Consumer Fraud and Deceptive Business Practices Act to prohibit the sale or issuance of a rebate card that charges dormancy fees and almost all other post-issuance fees. The legislation was sponsored by Senator Cristina Castro (D-Elgin) and Representative Theresa Mah (D-Chicago).

A coalition of banks and financial organizations opposed the legislation, while the Illinois Retail Merchants Association (IRMA) was neutral. AARP, Citizen Action, Woodstock Institute, and the Heartland Alliance all supported the legislation.

About the Illinois Treasurer

The Illinois Treasurer is the state’s chief investment officer and Frerichs is a Certified Public Finance Officer. He protects consumers by encouraging savings plans for college or trade school, increasing

financial education among all ages, and removing barriers to a secure retirement. As the state's Chief Investment Officer, he actively manages approximately \$28 billion. The portfolio includes \$12 billion in state funds, \$10 billion in college savings plans and \$5.5 billion on behalf of local and state governments. The investment approach is cautious to ensure the preservation of capital and returns \$28 to the state for every \$1 spent in operations. The Treasurer's Office predates Illinois incorporation in 1818. Voters in 1848 chose to make it an elected office.

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