



Sen. Martin A. Sandoval

**Filed: 3/28/2017**

10000SB0512sam001

LRB100 05212 AXK 24174 a

1 AMENDMENT TO SENATE BILL 512

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 512 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Vehicle Code is amended by  
5 changing Sections 5-301 and 5-503 and by adding Section 5-501.5  
6 as follows:

7 (625 ILCS 5/5-301) (from Ch. 95 1/2, par. 5-301)

8 Sec. 5-301. Automotive parts recyclers, scrap processors,  
9 repairers and rebuilders must be licensed.

10 (a) No person in this State shall, except as an incident to  
11 the servicing of vehicles, carry on or conduct the business of  
12 an automotive parts recycler, a scrap processor, a repairer, or  
13 a rebuilder, unless licensed to do so in writing by the  
14 Secretary of State under this Section. No person shall rebuild  
15 a salvage vehicle unless such person is licensed as a rebuilder  
16 by the Secretary of State under this Section. No person shall

1 engage in the business of acquiring 5 or more previously owned  
2 vehicles in one calendar year for the primary purpose of  
3 disposing of those vehicles in the manner described in the  
4 definition of a "scrap processor" in this Code unless the  
5 person is licensed as an automotive parts recycler by the  
6 Secretary of State under this Section. Each license shall be  
7 applied for and issued separately, except that a license issued  
8 to a new vehicle dealer under Section 5-101 of this Code shall  
9 also be deemed to be a repairer license.

10 (b) Any application filed with the Secretary of State,  
11 shall be duly verified by oath, in such form as the Secretary  
12 of State may by rule or regulation prescribe and shall contain:

13 1. The name and type of business organization of the  
14 applicant and his principal or additional places of  
15 business, if any, in this State.

16 2. The kind or kinds of business enumerated in  
17 subsection (a) of this Section to be conducted at each  
18 location.

19 3. If the applicant is a corporation, a list of its  
20 officers, directors, and shareholders having a ten percent  
21 or greater ownership interest in the corporation, setting  
22 forth the residence address of each; if the applicant is a  
23 sole proprietorship, a partnership, an unincorporated  
24 association, a trust, or any similar form of business  
25 organization, the names and residence address of the  
26 proprietor or of each partner, member, officer, director,

1 trustee or manager.

2 4. A statement that the applicant's officers,  
3 directors, shareholders having a ten percent or greater  
4 ownership interest therein, proprietor, partner, member,  
5 officer, director, trustee, manager, or other principals  
6 in the business have not committed in the past three years  
7 any one violation as determined in any civil or criminal or  
8 administrative proceedings of any one of the following  
9 Acts:

10 (a) The Anti-Theft Laws of the Illinois Vehicle  
11 Code;

12 (b) The "Certificate of Title Laws" of the Illinois  
13 Vehicle Code;

14 (c) The "Offenses against Registration and  
15 Certificates of Title Laws" of the Illinois Vehicle  
16 Code;

17 (d) The "Dealers, Transporters, Wreckers and  
18 Rebuilders Laws" of the Illinois Vehicle Code;

19 (e) Section 21-2 of the Criminal Code of 1961 or  
20 the Criminal Code of 2012, Criminal Trespass to  
21 Vehicles; or

22 (f) The Retailers Occupation Tax Act.

23 5. A statement that the applicant's officers,  
24 directors, shareholders having a ten percent or greater  
25 ownership interest therein, proprietor, partner, member,  
26 officer, director, trustee, manager or other principals in

1 the business have not committed in any calendar year 3 or  
2 more violations, as determined in any civil or criminal or  
3 administrative proceedings, of any one or more of the  
4 following Acts:

5 (a) The Consumer Finance Act;

6 (b) The Consumer Installment Loan Act;

7 (c) The Retail Installment Sales Act;

8 (d) The Motor Vehicle Retail Installment Sales  
9 Act;

10 (e) The Interest Act;

11 (f) The Illinois Wage Assignment Act;

12 (g) Part 8 of Article XII of the Code of Civil  
13 Procedure; or

14 (h) The Consumer Fraud Act.

15 6. An application for a license shall be accompanied by  
16 the following fees: \$50 for applicant's established place  
17 of business; \$25 for each additional place of business, if  
18 any, to which the application pertains; provided, however,  
19 that if such an application is made after June 15 of any  
20 year, the license fee shall be \$25 for applicant's  
21 established place of business plus \$12.50 for each  
22 additional place of business, if any, to which the  
23 application pertains. License fees shall be returnable  
24 only in the event that such application shall be denied by  
25 the Secretary of State.

26 7. A statement that the applicant understands Chapter 1

1 through Chapter 5 of this Code.

2 8. A statement that the applicant shall comply with  
3 subsection (e) of this Section.

4 (c) Any change which renders no longer accurate any  
5 information contained in any application for a license filed  
6 with the Secretary of State shall be amended within 30 days  
7 after the occurrence of such change on such form as the  
8 Secretary of State may prescribe by rule or regulation,  
9 accompanied by an amendatory fee of \$2.

10 (d) Anything in this chapter to the contrary,  
11 notwithstanding, no person shall be licensed under this Section  
12 unless such person shall maintain an established place of  
13 business as defined in this Chapter.

14 (e) The Secretary of State shall within a reasonable time  
15 after receipt thereof, examine an application submitted to him  
16 under this Section and unless he makes a determination that the  
17 application submitted to him does not conform with the  
18 requirements of this Section or that grounds exist for a denial  
19 of the application, as prescribed in Section 5-501 of this  
20 Chapter, grant the applicant an original license as applied for  
21 in writing for his established place of business and a  
22 supplemental license in writing for each additional place of  
23 business in such form as he may prescribe by rule or regulation  
24 which shall include the following:

25 1. The name of the person licensed;

26 2. If a corporation, the name and address of its

1 officers or if a sole proprietorship, a partnership, an  
2 unincorporated association or any similar form of business  
3 organization, the name and address of the proprietor or of  
4 each partner, member, officer, director, trustee or  
5 manager;

6 3. A designation of the kind or kinds of business  
7 enumerated in subsection (a) of this Section to be  
8 conducted at each location;

9 4. In the case of an original license, the established  
10 place of business of the licensee;

11 5. In the case of a supplemental license, the  
12 established place of business of the licensee and the  
13 additional place of business to which such supplemental  
14 license pertains.

15 (f) The appropriate instrument evidencing the license or a  
16 certified copy thereof, provided by the Secretary of State  
17 shall be kept, posted, conspicuously in the established place  
18 of business of the licensee and in each additional place of  
19 business, if any, maintained by such licensee. The licensee  
20 also shall post conspicuously in the established place of  
21 business and in each additional place of business a notice  
22 which states that such business is required to be licensed by  
23 the Secretary of State under Section 5-301, and which provides  
24 the license number of the business and the license expiration  
25 date. This notice also shall advise the consumer that any  
26 complaints as to the quality of service may be brought to the

1 attention of the Attorney General. The information required on  
2 this notice also shall be printed conspicuously on all  
3 estimates and receipts for work by the licensee subject to this  
4 Section. The Secretary of State shall prescribe the specific  
5 format of this notice.

6 (g) Except as provided in subsection (h) hereof, licenses  
7 granted under this Section shall expire by operation of law on  
8 December 31 of the calendar year for which they are granted  
9 unless sooner revoked or cancelled under the provisions of  
10 Section 5-501 or 5-501.5 of this Chapter.

11 (h) Any license granted under this Section may be renewed  
12 upon application and payment of the fee required herein as in  
13 the case of an original license, provided, however, that in  
14 case an application for the renewal of an effective license is  
15 made during the month of December, such effective license shall  
16 remain in force until such application is granted or denied by  
17 the Secretary of State.

18 (i) All automotive repairers and rebuilders shall, in  
19 addition to the requirements of subsections (a) through (h) of  
20 this Section, meet the following licensing requirements:

21 1. Provide proof that the property on which first time  
22 applicants plan to do business is in compliance with local  
23 zoning laws and regulations, and a listing of zoning  
24 classification;

25 2. Provide proof that the applicant for a repairer's  
26 license complies with the proper workers' compensation

1 rate code or classification, and listing the code of  
2 classification for that industry;

3 3. Provide proof that the applicant for a rebuilder's  
4 license complies with the proper workers' compensation  
5 rate code or classification for the repair industry or the  
6 auto parts recycling industry and listing the code of  
7 classification;

8 4. Provide proof that the applicant has obtained or  
9 applied for a hazardous waste generator number, and listing  
10 the actual number if available or certificate of exemption;

11 5. Provide proof that applicant has proper liability  
12 insurance, and listing the name of the insurer and the  
13 policy number; and

14 6. Provide proof that the applicant has obtained or  
15 applied for the proper State sales tax classification and  
16 federal identification tax number, and listing the actual  
17 numbers if available.

18 (i-1) All automotive repairers shall provide proof that  
19 they comply with all requirements of the Automotive Collision  
20 Repair Act.

21 (j) All automotive parts recyclers shall, in addition to  
22 the requirements of subsections (a) through (h) of this  
23 Section, meet the following licensing requirements:

24 1. Provide a statement that the applicant purchases 5  
25 vehicles per year or has 5 hulks or chassis in stock;

26 2. Provide proof that the property on which all first



1 time applicants will do business does comply to the proper  
2 local zoning laws in existence, and a listing of zoning  
3 classifications;

4 3. Provide proof that applicant complies with the  
5 proper workers' compensation rate code or classification,  
6 and listing the code of classification; and

7 4. Provide proof that applicant has obtained or applied  
8 for the proper State sales tax classification and federal  
9 identification tax number, and listing the actual numbers  
10 if available.

11 (Source: P.A. 97-832, eff. 7-20-12; 97-1150, eff. 1-25-13;  
12 98-756, eff. 7-16-14.)

13 (625 ILCS 5/5-501.5 new)

14 Sec. 5-501.5. License eligibility; fraud.

15 (a) For purposes of this Section, a "automotive parts  
16 recycler, scrap processor, repairer, or rebuilder" includes  
17 any owners, operators, principals, shareholders, partners, or  
18 directors that have ownership interest or managerial authority  
19 in the business at the time the fraud or misconduct occurred.

20 (b) Notwithstanding any other provision of law to the  
21 contrary, an automotive parts recycler, scrap processor,  
22 repairer, or rebuilder with a business license issued by a  
23 municipality that has been revoked due to fraud or misconduct  
24 committed against the municipality within 2 years preceding the  
25 effective date of this amendatory Act of the 100th General

1 Assembly or on or after the effective date of this amendatory  
2 Act of the 100th General Assembly shall not be eligible for a  
3 license or license renewal under Section 5-301 of this Code.

4 (c) No later than 30 days after the effective date of this  
5 amendatory Act of the 100th General Assembly, a municipality  
6 that has revoked a business license under subsection (b) of  
7 this Section shall:

8 (1) notify the former licensee that it is not eligible  
9 to conduct business in this State; and

10 (2) notify any other municipality in which the former  
11 licensee is known to conduct business that the former  
12 licensee is not eligible to conduct business in this State.

13 (d) No later than 30 days after receiving a notice required  
14 under subsection (c) of this Section, a municipality shall take  
15 all actions necessary to revoke or, if the business license is  
16 set to expire within a 30-day period of the notice, prohibit  
17 renewal of the licensee's business license.

18 (e) An automotive parts recycler, scrap processor,  
19 repairer, or rebuilder shall be fined \$10,000 for each day it  
20 conducts business in this State in violation of this Section.

21 (f) No unit of local government, including a home rule  
22 unit, may regulate business licenses in a manner inconsistent  
23 with this Section. This subsection (f) is a limitation under  
24 subsection (i) of Section 6 of Article VII of the Illinois  
25 Constitution on the concurrent exercise by home rule units of  
26 powers and functions exercised by the State.

1 (625 ILCS 5/5-503) (from Ch. 95 1/2, par. 5-503)

2 Sec. 5-503. Failure to obtain dealer's license, operation  
3 of a business with a suspended or revoked license. (a) Any  
4 person operating a business for which he is required to be  
5 licensed under Section 5-101, 5-102, 5-201 or 5-301 who fails  
6 to apply for such a license or licenses within 15 days after  
7 being informed in writing by the Secretary of State that he  
8 must obtain such a license or licenses is subject to a civil  
9 action brought by the Secretary of State for operating a  
10 business without a license in the circuit court in the county  
11 in which the business is located. If the person is found to be  
12 in violation of Section 5-101, 5-102, 5-201 or 5-301 by  
13 carrying on a business without being properly licensed, that  
14 person shall be fined \$300 for each business day he conducted  
15 his business without such a license after the expiration of the  
16 15 day period specified in this subsection (a).

17 (b) Any person who, having had his license or licenses  
18 issued under Section 5-101, 5-102, 5-201 or 5-301 suspended,  
19 revoked, cancelled or denied by the Secretary of State under  
20 Section 5-501 or 5-501.5 of this Code, continues to operate  
21 business after the effective date of such revocation,  
22 suspension, cancellation or denial may be sued in a civil  
23 action by the Secretary of State in the county in which the  
24 established or additional place of such business is located. If  
25 such person is found by the court to have operated such a

1 business after the license or licenses required for conducting  
2 such business have been suspended, revoked, cancelled or  
3 denied, that person shall be fined \$500 for each day he  
4 conducted business thereafter.

5 (Source: P.A. 86-444.)

6 Section 99. Effective date. This Act takes effect upon  
7 becoming law."