



Sen. Jil Tracy

Filed: 3/10/2017

10000SB1755sam003

LRB100 09574 AXK 23380 a

1 AMENDMENT TO SENATE BILL 1755

2 AMENDMENT NO. _____. Amend Senate Bill 1755, AS AMENDED,
3 by replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Illinois Vehicle Code is amended by
6 changing Sections 5-101 and 5-102 as follows:

7 (625 ILCS 5/5-101) (from Ch. 95 1/2, par. 5-101)

8 Sec. 5-101. New vehicle dealers must be licensed.

9 (a) No person shall engage in this State in the business of
10 selling or dealing in, on consignment or otherwise, new
11 vehicles of any make, or act as an intermediary or agent or
12 broker for any licensed dealer or vehicle purchaser other than
13 as a salesperson, or represent or advertise that he is so
14 engaged or intends to so engage in such business unless
15 licensed to do so in writing by the Secretary of State under
16 the provisions of this Section.

1 (b) An application for a new vehicle dealer's license shall
2 be filed with the Secretary of State, duly verified by oath, on
3 such form as the Secretary of State may by rule or regulation
4 prescribe and shall contain:

5 1. The name and type of business organization of the
6 applicant and his established and additional places of
7 business, if any, in this State.

8 2. If the applicant is a corporation, a list of its
9 officers, directors, and shareholders having a ten percent
10 or greater ownership interest in the corporation, setting
11 forth the residence address of each; if the applicant is a
12 sole proprietorship, a partnership, an unincorporated
13 association, a trust, or any similar form of business
14 organization, the name and residence address of the
15 proprietor or of each partner, member, officer, director,
16 trustee, or manager.

17 3. The make or makes of new vehicles which the
18 applicant will offer for sale at retail in this State.

19 4. The name of each manufacturer or franchised
20 distributor, if any, of new vehicles with whom the
21 applicant has contracted for the sale of such new vehicles.
22 As evidence of this fact, the application shall be
23 accompanied by a signed statement from each such
24 manufacturer or franchised distributor. If the applicant
25 is in the business of offering for sale new conversion
26 vehicles, trucks or vans, except for trucks modified to

1 serve a special purpose which includes but is not limited
2 to the following vehicles: street sweepers, fertilizer
3 spreaders, emergency vehicles, implements of husbandry or
4 maintenance type vehicles, he must furnish evidence of a
5 sales and service agreement from both the chassis
6 manufacturer and second stage manufacturer.

7 5. A statement that the applicant has been approved for
8 registration under the Retailers' Occupation Tax Act by the
9 Department of Revenue: Provided that this requirement does
10 not apply to a dealer who is already licensed hereunder
11 with the Secretary of State, and who is merely applying for
12 a renewal of his license. As evidence of this fact, the
13 application shall be accompanied by a certification from
14 the Department of Revenue showing that that Department has
15 approved the applicant for registration under the
16 Retailers' Occupation Tax Act.

17 6. A statement that the applicant has complied with the
18 appropriate liability insurance requirement. A Certificate
19 of Insurance in a solvent company authorized to do business
20 in the State of Illinois shall be included with each
21 application covering each location at which he proposes to
22 act as a new vehicle dealer. The policy must provide
23 liability coverage in the minimum amounts of \$100,000 for
24 bodily injury to, or death of, any person, \$300,000 for
25 bodily injury to, or death of, two or more persons in any
26 one accident, and \$50,000 for damage to property. Such

1 policy shall expire not sooner than December 31 of the year
2 for which the license was issued or renewed. The expiration
3 of the insurance policy shall not terminate the liability
4 under the policy arising during the period for which the
5 policy was filed. Trailer and mobile home dealers are
6 exempt from this requirement.

7 If the permitted user has a liability insurance policy
8 that provides automobile liability insurance coverage of
9 at least \$100,000 for bodily injury to or the death of any
10 person, \$300,000 for bodily injury to or the death of any 2
11 or more persons in any one accident, and \$50,000 for damage
12 to property, then the permitted user's insurer shall be the
13 primary insurer and the dealer's insurer shall be the
14 secondary insurer. If the permitted user does not have a
15 liability insurance policy that provides automobile
16 liability insurance coverage of at least \$100,000 for
17 bodily injury to or the death of any person, \$300,000 for
18 bodily injury to or the death of any 2 or more persons in
19 any one accident, and \$50,000 for damage to property, or
20 does not have any insurance at all, then the dealer's
21 insurer shall be the primary insurer and the permitted
22 user's insurer shall be the secondary insurer.

23 When a permitted user is "test driving" a new vehicle
24 dealer's automobile, the new vehicle dealer's insurance
25 shall be primary and the permitted user's insurance shall
26 be secondary.

1 As used in this paragraph 6, a "permitted user" is a
2 person who, with the permission of the new vehicle dealer
3 or an employee of the new vehicle dealer, drives a vehicle
4 owned and held for sale or lease by the new vehicle dealer
5 which the person is considering to purchase or lease, in
6 order to evaluate the performance, reliability, or
7 condition of the vehicle. The term "permitted user" also
8 includes a person who, with the permission of the new
9 vehicle dealer, drives a vehicle owned or held for sale or
10 lease by the new vehicle dealer for loaner purposes while
11 the user's vehicle is being repaired or evaluated.

12 As used in this paragraph 6, "test driving" occurs when
13 a permitted user who, with the permission of the new
14 vehicle dealer or an employee of the new vehicle dealer,
15 drives a vehicle owned and held for sale or lease by a new
16 vehicle dealer that the person is considering to purchase
17 or lease, in order to evaluate the performance,
18 reliability, or condition of the vehicle.

19 As used in this paragraph 6, "loaner purposes" means
20 when a person who, with the permission of the new vehicle
21 dealer, drives a vehicle owned or held for sale or lease by
22 the new vehicle dealer while the user's vehicle is being
23 repaired or evaluated.

24 7. (A) An application for a new motor vehicle dealer's
25 license shall be accompanied by the following license fees:

26 (i) \$1,000 for applicant's established place of

1 business, and \$100 for each additional place of
2 business, if any, to which the application pertains;
3 but if the application is made after June 15 of any
4 year, the license fee shall be \$500 for applicant's
5 established place of business plus \$50 for each
6 additional place of business, if any, to which the
7 application pertains. License fees shall be returnable
8 only in the event that the application is denied by the
9 Secretary of State. All moneys received by the
10 Secretary of State as license fees under this
11 subparagraph (i) prior to applications for the 2004
12 licensing year shall be deposited into the Motor
13 Vehicle Review Board Fund and shall be used to
14 administer the Motor Vehicle Review Board under the
15 Motor Vehicle Franchise Act. Of the money received by
16 the Secretary of State as license fees under this
17 subparagraph (i) for the 2004 licensing year and
18 thereafter, 10% shall be deposited into the Motor
19 Vehicle Review Board Fund and shall be used to
20 administer the Motor Vehicle Review Board under the
21 Motor Vehicle Franchise Act and 90% shall be deposited
22 into the General Revenue Fund.

23 (ii) Except for dealers selling 25 or fewer
24 automobiles or as provided in subsection (h) of Section
25 5-102.7 of this Code, an Annual Dealer Recovery Fund
26 Fee in the amount of \$500 for the applicant's

1 established place of business, and \$50 for each
2 additional place of business, if any, to which the
3 application pertains; but if the application is made
4 after June 15 of any year, the fee shall be \$250 for
5 the applicant's established place of business plus \$25
6 for each additional place of business, if any, to which
7 the application pertains. For a license renewal
8 application, the fee shall be based on the amount of
9 automobiles sold in the past year according to the
10 following formula:

11 (1) \$0 for dealers selling 25 or less
12 automobiles;

13 (2) \$150 for dealers selling more than 25 but
14 less than 200 automobiles;

15 (3) \$300 for dealers selling 200 or more
16 automobiles but less than 300 automobiles; and

17 (4) \$500 for dealers selling 300 or more
18 automobiles.

19 License fees shall be returnable only in the event
20 that the application is denied by the Secretary of
21 State. Moneys received under this subparagraph (ii)
22 shall be deposited into the Dealer Recovery Trust Fund.

23 (B) An application for a new vehicle dealer's license,
24 other than for a new motor vehicle dealer's license, shall
25 be accompanied by the following license fees:

26 (i) \$1,000 for applicant's established place of

1 business, and \$50 for each additional place of
2 business, if any, to which the application pertains;
3 but if the application is made after June 15 of any
4 year, the license fee shall be \$500 for applicant's
5 established place of business plus \$25 for each
6 additional place of business, if any, to which the
7 application pertains. License fees shall be returnable
8 only in the event that the application is denied by the
9 Secretary of State. Of the money received by the
10 Secretary of State as license fees under this
11 subparagraph (i) for the 2004 licensing year and
12 thereafter, 95% shall be deposited into the General
13 Revenue Fund.

14 (ii) Except as provided in subsection (h) of
15 Section 5-102.7 of this Code, an Annual Dealer Recovery
16 Fund Fee in the amount of \$500 for the applicant's
17 established place of business, and \$50 for each
18 additional place of business, if any, to which the
19 application pertains; but if the application is made
20 after June 15 of any year, the fee shall be \$250 for
21 the applicant's established place of business plus \$25
22 for each additional place of business, if any, to which
23 the application pertains. License fees shall be
24 returnable only in the event that the application is
25 denied by the Secretary of State. Moneys received under
26 this subparagraph (ii) shall be deposited into the

1 Dealer Recovery Trust Fund.

2 8. A statement that the applicant's officers,
3 directors, shareholders having a 10% or greater ownership
4 interest therein, proprietor, a partner, member, officer,
5 director, trustee, manager or other principals in the
6 business have not committed in the past 3 years any one
7 violation as determined in any civil, 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 9. A statement that the applicant's officers,
24 directors, shareholders having a 10% or greater ownership
25 interest therein, proprietor, partner, member, officer,
26 director, trustee, manager or other principals in the

1 business have not committed in any calendar year 3 or more
2 violations, as determined in any civil, 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 10. A bond or certificate of deposit in the amount of
16 \$20,000 for each location at which the applicant intends to
17 act as a new vehicle dealer. The bond shall be for the term
18 of the license, or its renewal, for which application is
19 made, and shall expire not sooner than December 31 of the
20 year for which the license was issued or renewed. The bond
21 shall run to the People of the State of Illinois, with
22 surety by a bonding or insurance company authorized to do
23 business in this State. It shall be conditioned upon the
24 proper transmittal of all title and registration fees and
25 taxes (excluding taxes under the Retailers' Occupation Tax
26 Act) accepted by the applicant as a new vehicle dealer.

1 11. Such other information concerning the business of
2 the applicant as the Secretary of State may by rule or
3 regulation prescribe.

4 12. A statement that the applicant understands Chapter
5 1 through Chapter 5 of this Code.

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

12 (d) Anything in this Chapter 5 to the contrary
13 notwithstanding no person shall be licensed as a new vehicle
14 dealer unless:

15 1. He is authorized by contract in writing between
16 himself and the manufacturer or franchised distributor of
17 such make of vehicle to so sell the same in this State, and

18 2. Such person shall maintain an established place of
19 business as defined in this Act.

20 (e) The Secretary of State shall, within a reasonable time
21 after receipt, examine an application submitted to him under
22 this Section and unless he makes a determination that the
23 application submitted to him does not conform with the
24 requirements of this Section or that grounds exist for a denial
25 of the application, under Section 5-501 of this Chapter, grant
26 the applicant an original new vehicle dealer's license in

1 writing for his established place of business and a
2 supplemental license in writing for each additional place of
3 business in such form as he may prescribe by rule or regulation
4 which shall include the following:

5 1. The name of the person licensed;

6 2. If a corporation, the name and address of its
7 officers or if a sole proprietorship, a partnership, an
8 unincorporated association or any similar form of business
9 organization, the name and address of the proprietor or of
10 each partner, member, officer, director, trustee or
11 manager;

12 3. In the case of an original license, the established
13 place of business of the licensee;

14 4. In the case of a supplemental license, the
15 established place of business of the licensee and the
16 additional place of business to which such supplemental
17 license pertains;

18 5. The make or makes of new vehicles which the licensee
19 is licensed to sell.

20 (f) The appropriate instrument evidencing the license or a
21 certified copy thereof, provided by the Secretary of State,
22 shall be kept posted conspicuously in the established place of
23 business of the licensee and in each additional place of
24 business, if any, maintained by such licensee.

25 (g) Except as provided in subsection (h) hereof, all new
26 vehicle dealer's licenses granted under this Section shall

1 expire by operation of law on December 31 of the calendar year
2 for which they are granted unless sooner revoked or cancelled
3 under the provisions of Section 5-501 of this Chapter.

4 (h) A new vehicle dealer's license may be renewed upon
5 application and payment of the fee required herein, and
6 submission of proof of coverage under an approved bond under
7 the Retailers' Occupation Tax Act or proof that applicant is
8 not subject to such bonding requirements, as in the case of an
9 original license, but in case an application for the renewal of
10 an effective license is made during the month of December, the
11 effective license shall remain in force until the application
12 is granted or denied by the Secretary of State.

13 (i) All persons licensed as a new vehicle dealer are
14 required to furnish each purchaser of a motor vehicle:

15 1. In the case of a new vehicle a manufacturer's
16 statement of origin and in the case of a used motor vehicle
17 a certificate of title, in either case properly assigned to
18 the purchaser;

19 2. A statement verified under oath that all identifying
20 numbers on the vehicle agree with those on the certificate
21 of title or manufacturer's statement of origin;

22 3. A bill of sale properly executed on behalf of such
23 person;

24 4. A copy of the Uniform Invoice-transaction reporting
25 return referred to in Section 5-402 hereof;

26 5. In the case of a rebuilt vehicle, a copy of the

1 Disclosure of Rebuilt Vehicle Status; and

2 6. In the case of a vehicle for which the warranty has
3 been reinstated, a copy of the warranty.

4 (i-5) A person licensed as a new vehicle dealer shall make
5 a record of when a permitted user is test driving a vehicle. A
6 permitted user shall be liable for any citation issued for a
7 violation of a traffic regulation, any fines relating to the
8 citation, toll charges, or accidents that occur while test
9 driving the vehicle.

10 For purposes of this subsection (i-5), "permitted user" and
11 "test driving" have the meanings ascribed to those terms under
12 paragraph 6 of subsection (b) of this Section.

13 (j) Except at the time of sale or repossession of the
14 vehicle, no person licensed as a new vehicle dealer may issue
15 any other person a newly created key to a vehicle unless the
16 new vehicle dealer makes a copy of the driver's license or
17 State identification card of the person requesting or obtaining
18 the newly created key. The new vehicle dealer must retain the
19 copy for 30 days.

20 A new vehicle dealer who violates this subsection (j) is
21 guilty of a petty offense. Violation of this subsection (j) is
22 not cause to suspend, revoke, cancel, or deny renewal of the
23 new vehicle dealer's license.

24 This amendatory Act of 1983 shall be applicable to the 1984
25 registration year and thereafter.

26 (j-5) A person licensed as a new vehicle dealer shall make

1 a report to a local law enforcement agency upon discovery of
2 any registration plates stolen off the premises where motor
3 vehicles are being offered for sale or lease. If a new vehicle
4 dealer reports the stolen registration plates as required under
5 this subsection (j-5), the dealer shall not be liable for any
6 citation issued for a violation of a traffic regulation, any
7 finances relating to the citation, toll charges, or accidents
8 involving a motor vehicle bearing the stolen registration
9 plates, or a motor vehicle bearing expired registration plates
10 and being operated by a person without the approval of the new
11 vehicle dealer, that occur before or after the report is made.

12 (Source: P.A. 98-450, eff. 1-1-14; 99-78, eff. 7-20-15.)

13 (625 ILCS 5/5-102) (from Ch. 95 1/2, par. 5-102)

14 Sec. 5-102. Used vehicle dealers must be licensed.

15 (a) No person, other than a licensed new vehicle dealer,
16 shall engage in the business of selling or dealing in, on
17 consignment or otherwise, 5 or more used vehicles of any make
18 during the year (except house trailers as authorized by
19 paragraph (j) of this Section and rebuilt salvage vehicles sold
20 by their rebuilders to persons licensed under this Chapter), or
21 act as an intermediary, agent or broker for any licensed dealer
22 or vehicle purchaser (other than as a salesperson) or represent
23 or advertise that he is so engaged or intends to so engage in
24 such business unless licensed to do so by the Secretary of
25 State under the provisions of this Section.

1 (b) An application for a used vehicle dealer's license
2 shall be filed with the Secretary of State, duly verified by
3 oath, in such form as the Secretary of State may by rule or
4 regulation prescribe and shall contain:

5 1. The name and type of business organization
6 established and additional places of business, if any, in
7 this State.

8 2. If the applicant is a corporation, a list of its
9 officers, directors, and shareholders having a ten percent
10 or greater ownership interest in the corporation, setting
11 forth the residence address of each; if the applicant is a
12 sole proprietorship, a partnership, an unincorporated
13 association, a trust, or any similar form of business
14 organization, the names and residence address of the
15 proprietor or of each partner, member, officer, director,
16 trustee or manager.

17 3. A statement that the applicant has been approved for
18 registration under the Retailers' Occupation Tax Act by the
19 Department of Revenue. However, this requirement does not
20 apply to a dealer who is already licensed hereunder with
21 the Secretary of State, and who is merely applying for a
22 renewal of his license. As evidence of this fact, the
23 application shall be accompanied by a certification from
24 the Department of Revenue showing that the Department has
25 approved the applicant for registration under the
26 Retailers' Occupation Tax Act.

1 4. A statement that the applicant has complied with the
2 appropriate liability insurance requirement. A Certificate
3 of Insurance in a solvent company authorized to do business
4 in the State of Illinois shall be included with each
5 application covering each location at which he proposes to
6 act as a used vehicle dealer. The policy must provide
7 liability coverage in the minimum amounts of \$100,000 for
8 bodily injury to, or death of, any person, \$300,000 for
9 bodily injury to, or death of, two or more persons in any
10 one accident, and \$50,000 for damage to property. Such
11 policy shall expire not sooner than December 31 of the year
12 for which the license was issued or renewed. The expiration
13 of the insurance policy shall not terminate the liability
14 under the policy arising during the period for which the
15 policy was filed. Trailer and mobile home dealers are
16 exempt from this requirement.

17 If the permitted user has a liability insurance policy
18 that provides automobile liability insurance coverage of
19 at least \$100,000 for bodily injury to or the death of any
20 person, \$300,000 for bodily injury to or the death of any 2
21 or more persons in any one accident, and \$50,000 for damage
22 to property, then the permitted user's insurer shall be the
23 primary insurer and the dealer's insurer shall be the
24 secondary insurer. If the permitted user does not have a
25 liability insurance policy that provides automobile
26 liability insurance coverage of at least \$100,000 for

1 bodily injury to or the death of any person, \$300,000 for
2 bodily injury to or the death of any 2 or more persons in
3 any one accident, and \$50,000 for damage to property, or
4 does not have any insurance at all, then the dealer's
5 insurer shall be the primary insurer and the permitted
6 user's insurer shall be the secondary insurer.

7 When a permitted user is "test driving" a used vehicle
8 dealer's automobile, the used vehicle dealer's insurance
9 shall be primary and the permitted user's insurance shall
10 be secondary.

11 As used in this paragraph 4, a "permitted user" is a
12 person who, with the permission of the used vehicle dealer
13 or an employee of the used vehicle dealer, drives a vehicle
14 owned and held for sale or lease by the used vehicle dealer
15 which the person is considering to purchase or lease, in
16 order to evaluate the performance, reliability, or
17 condition of the vehicle. The term "permitted user" also
18 includes a person who, with the permission of the used
19 vehicle dealer, drives a vehicle owned or held for sale or
20 lease by the used vehicle dealer for loaner purposes while
21 the user's vehicle is being repaired or evaluated.

22 As used in this paragraph 4, "test driving" occurs when
23 a permitted user who, with the permission of the used
24 vehicle dealer or an employee of the used vehicle dealer,
25 drives a vehicle owned and held for sale or lease by a used
26 vehicle dealer that the person is considering to purchase

1 or lease, in order to evaluate the performance,
2 reliability, or condition of the vehicle.

3 As used in this paragraph 4, "loaner purposes" means
4 when a person who, with the permission of the used vehicle
5 dealer, drives a vehicle owned or held for sale or lease by
6 the used vehicle dealer while the user's vehicle is being
7 repaired or evaluated.

8 5. An application for a used vehicle dealer's license
9 shall be accompanied by the following license fees:

10 (A) \$1,000 for applicant's established place of
11 business, and \$50 for each additional place of
12 business, if any, to which the application pertains;
13 however, if the application is made after June 15 of
14 any year, the license fee shall be \$500 for applicant's
15 established place of business plus \$25 for each
16 additional place of business, if any, to which the
17 application pertains. License fees shall be returnable
18 only in the event that the application is denied by the
19 Secretary of State. Of the money received by the
20 Secretary of State as license fees under this
21 subparagraph (A) for the 2004 licensing year and
22 thereafter, 95% shall be deposited into the General
23 Revenue Fund.

24 (B) Except for dealers selling 25 or fewer
25 automobiles or as provided in subsection (h) of Section
26 5-102.7 of this Code, an Annual Dealer Recovery Fund

1 Fee in the amount of \$500 for the applicant's
2 established place of business, and \$50 for each
3 additional place of business, if any, to which the
4 application pertains; but if the application is made
5 after June 15 of any year, the fee shall be \$250 for
6 the applicant's established place of business plus \$25
7 for each additional place of business, if any, to which
8 the application pertains. For a license renewal
9 application, the fee shall be based on the amount of
10 automobiles sold in the past year according to the
11 following formula:

12 (1) \$0 for dealers selling 25 or less
13 automobiles;

14 (2) \$150 for dealers selling more than 25 but
15 less than 200 automobiles;

16 (3) \$300 for dealers selling 200 or more
17 automobiles but less than 300 automobiles; and

18 (4) \$500 for dealers selling 300 or more
19 automobiles.

20 License fees shall be returnable only in the event
21 that the application is denied by the Secretary of
22 State. Moneys received under this subparagraph (B)
23 shall be deposited into the Dealer Recovery Trust Fund.

24 6. A statement that the applicant's officers,
25 directors, shareholders having a 10% or greater ownership
26 interest therein, proprietor, partner, member, officer,

1 director, trustee, manager or other principals in the
2 business have not committed in the past 3 years any one
3 violation as determined in any civil, criminal or
4 administrative proceedings of any one of the following
5 Acts:

6 (A) The Anti-Theft Laws of the Illinois Vehicle
7 Code;

8 (B) The Certificate of Title Laws of the Illinois
9 Vehicle Code;

10 (C) The Offenses against Registration and
11 Certificates of Title Laws of the Illinois Vehicle
12 Code;

13 (D) The Dealers, Transporters, Wreckers and
14 Rebuilders Laws of the Illinois Vehicle Code;

15 (E) Section 21-2 of the Illinois Criminal Code of
16 1961 or the Criminal Code of 2012, Criminal Trespass to
17 Vehicles; or

18 (F) The Retailers' Occupation Tax Act.

19 7. A statement that the applicant's officers,
20 directors, shareholders having a 10% or greater ownership
21 interest therein, proprietor, partner, member, officer,
22 director, trustee, manager or other principals in the
23 business have not committed in any calendar year 3 or more
24 violations, as determined in any civil or criminal or
25 administrative proceedings, of any one or more of the
26 following Acts:

- 1 (A) The Consumer Finance Act;
- 2 (B) The Consumer Installment Loan Act;
- 3 (C) The Retail Installment Sales Act;
- 4 (D) The Motor Vehicle Retail Installment Sales
- 5 Act;
- 6 (E) The Interest Act;
- 7 (F) The Illinois Wage Assignment Act;
- 8 (G) Part 8 of Article XII of the Code of Civil
- 9 Procedure; or
- 10 (H) The Consumer Fraud Act.

11 8. A bond or Certificate of Deposit in the amount of
12 \$20,000 for each location at which the applicant intends to
13 act as a used vehicle dealer. The bond shall be for the
14 term of the license, or its renewal, for which application
15 is made, and shall expire not sooner than December 31 of
16 the year for which the license was issued or renewed. The
17 bond shall run to the People of the State of Illinois, with
18 surety by a bonding or insurance company authorized to do
19 business in this State. It shall be conditioned upon the
20 proper transmittal of all title and registration fees and
21 taxes (excluding taxes under the Retailers' Occupation Tax
22 Act) accepted by the applicant as a used vehicle dealer.

23 9. Such other information concerning the business of
24 the applicant as the Secretary of State may by rule or
25 regulation prescribe.

26 10. A statement that the applicant understands Chapter

1 1 through Chapter 5 of this Code.

2 11. A copy of the certification from the prelicensing
3 education program.

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

10 (d) Anything in this Chapter to the contrary
11 notwithstanding, no person shall be licensed as a used vehicle
12 dealer unless such person maintains 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, examine an application submitted to him under
16 this Section. Unless the Secretary makes a determination that
17 the application submitted to him does not conform to this
18 Section or that grounds exist for a denial of the application
19 under Section 5-501 of this Chapter, he must grant the
20 applicant an original used vehicle dealer's license in writing
21 for his established place of business and a supplemental
22 license in writing for each additional place of business in
23 such form as he may prescribe by rule or regulation which shall
24 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. In case of an original license, the established
7 place of business of the licensee;

8 4. In the case of a supplemental license, the
9 established place of business of the licensee and the
10 additional place of business to which such supplemental
11 license pertains.

12 (f) The appropriate instrument evidencing the license or a
13 certified copy thereof, provided by the Secretary of State
14 shall be kept posted, conspicuously, in the established place
15 of business of the licensee and in each additional place of
16 business, if any, maintained by such licensee.

17 (g) Except as provided in subsection (h) of this Section,
18 all used vehicle dealer's licenses granted under this Section
19 expire by operation of law on December 31 of the calendar year
20 for which they are granted unless sooner revoked or cancelled
21 under Section 5-501 of this Chapter.

22 (h) A used vehicle dealer's license may be renewed upon
23 application and payment of the fee required herein, and
24 submission of proof of coverage by an approved bond under the
25 "Retailers' Occupation Tax Act" or proof that applicant is not
26 subject to such bonding requirements, as in the case of an

1 original license, but in case an application for the renewal of
2 an effective license is made during the month of December, the
3 effective license shall remain in force until the application
4 for renewal is granted or denied by the Secretary of State.

5 (i) All persons licensed as a used vehicle dealer are
6 required to furnish each purchaser of a motor vehicle:

7 1. A certificate of title properly assigned to the
8 purchaser;

9 2. A statement verified under oath that all identifying
10 numbers on the vehicle agree with those on the certificate
11 of title;

12 3. A bill of sale properly executed on behalf of such
13 person;

14 4. A copy of the Uniform Invoice-transaction reporting
15 return referred to in Section 5-402 of this Chapter;

16 5. In the case of a rebuilt vehicle, a copy of the
17 Disclosure of Rebuilt Vehicle Status; and

18 6. In the case of a vehicle for which the warranty has
19 been reinstated, a copy of the warranty.

20 (j) A real estate broker holding a valid certificate of
21 registration issued pursuant to "The Real Estate Brokers and
22 Salesmen License Act" may engage in the business of selling or
23 dealing in house trailers not his own without being licensed as
24 a used vehicle dealer under this Section; however such broker
25 shall maintain a record of the transaction including the
26 following:

- 1 (1) the name and address of the buyer and seller,
- 2 (2) the date of sale,
- 3 (3) a description of the mobile home, including the
- 4 vehicle identification number, make, model, and year, and
- 5 (4) the Illinois certificate of title number.

6 The foregoing records shall be available for inspection by
7 any officer of the Secretary of State's Office at any
8 reasonable hour.

9 (k) Except at the time of sale or repossession of the
10 vehicle, no person licensed as a used vehicle dealer may issue
11 any other person a newly created key to a vehicle unless the
12 used vehicle dealer makes a copy of the driver's license or
13 State identification card of the person requesting or obtaining
14 the newly created key. The used vehicle dealer must retain the
15 copy for 30 days.

16 A used vehicle dealer who violates this subsection (k) is
17 guilty of a petty offense. Violation of this subsection (k) is
18 not cause to suspend, revoke, cancel, or deny renewal of the
19 used vehicle dealer's license.

20 (k-5) A person licensed as a used vehicle dealer shall make
21 a record of when a permitted user is test driving a vehicle. A
22 permitted user shall be liable for any citation issued for a
23 violation of a traffic regulation, any fines relating to the
24 citation, toll charges, or accidents that occur while test
25 driving the vehicle.

26 For purposes of this subsection (k-5), "permitted user" and

1 "test driving" have the meanings ascribed to those terms under
2 paragraph 4 of subsection (b) of this Section.

3 (k-7) A person licensed as a used vehicle dealer shall make
4 a report to a local law enforcement agency upon discovery of
5 any registration plates stolen off the premises where the motor
6 vehicle is being offered for sale or lease. If a used vehicle
7 dealer reports the stolen registration plates as required under
8 this subsection (k-7), the dealer shall not be liable for any
9 citation issued for a violation of a traffic regulation, any
10 finances relating to the citation, toll charges, or accidents
11 involving a motor vehicle bearing the stolen registration
12 plates, or a motor vehicle bearing expired registration plates
13 and being operated by a person without the approval of the used
14 vehicle dealer, that occur before or after the report is made.

15 (l) Used vehicle dealers licensed under this Section shall
16 provide the Secretary of State a register for the sale at
17 auction of each salvage or junk certificate vehicle. Each
18 register shall include the following information:

19 1. The year, make, model, style and color of the
20 vehicle;

21 2. The vehicle's manufacturer's identification number
22 or, if applicable, the Secretary of State or Illinois
23 Department of State Police identification number;

24 3. The date of acquisition of the vehicle;

25 4. The name and address of the person from whom the
26 vehicle was acquired;

1 5. The name and address of the person to whom any
2 vehicle was disposed, the person's Illinois license number
3 or if the person is an out-of-state salvage vehicle buyer,
4 the license number from the state or jurisdiction where the
5 buyer is licensed; and

6 6. The purchase price of the vehicle.

7 The register shall be submitted to the Secretary of State
8 via written or electronic means within 10 calendar days from
9 the date of the auction.

10 (Source: P.A. 98-450, eff. 1-1-14; 99-78, eff. 7-20-15.)"