

1 AN ACT concerning transportation.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Illinois Vehicle Code is amended by changing  
5 Sections 5-301 and 5-803 as follows:

6 (625 ILCS 5/5-301) (from Ch. 95 1/2, par. 5-301)

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

9 (a) No person in this State shall, except as an incident to  
10 the servicing of vehicles, carry on or conduct the business of  
11 an automotive parts recycler, a scrap processor, a repairer, or  
12 a rebuilder, unless licensed to do so in writing by the  
13 Secretary of State under this Section. No person shall rebuild  
14 a salvage vehicle unless such person is licensed as a rebuilder  
15 by the Secretary of State under this Section. No person shall  
16 engage in the business of acquiring 5 or more previously owned  
17 vehicles in one calendar year for the primary purpose of  
18 disposing of those vehicles in the manner described in the  
19 definition of a "scrap processor" in this Code unless the  
20 person is licensed as an automotive parts recycler by the  
21 Secretary of State under this Section. No person shall engage  
22 in the act of dismantling, crushing, or altering a vehicle into  
23 another form using machinery or equipment unless licensed to do

1 so and only from the fixed location identified on the license  
2 issued by the Secretary. Each license shall be applied for and  
3 issued separately, except that a license issued to a new  
4 vehicle dealer under Section 5-101 of this Code shall also be  
5 deemed to be a repairer license.

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

9 1. The name and type of business organization of the  
10 applicant and his principal or additional places of  
11 business, if any, in this State.

12 2. The kind or kinds of business enumerated in  
13 subsection (a) of this Section to be conducted at each  
14 location.

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

24 4. A statement that the applicant's officers,  
25 directors, shareholders having a ten percent or greater  
26 ownership interest therein, proprietor, partner, member,

1 officer, director, trustee, manager, or other principals  
2 in the business have not committed in the past three years  
3 any one violation as determined in any civil or 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 Criminal Code of 1961 or  
16 the Criminal Code of 2012, Criminal Trespass to  
17 Vehicles; or

18 (f) the Retailers Occupation Tax Act.

19 5. A statement that the applicant's officers,  
20 directors, shareholders having a ten percent or greater  
21 ownership interest therein, proprietor, partner, member,  
22 officer, director, trustee, manager or other principals in  
23 the business have not committed in any calendar year 3 or  
24 more 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 6. An application for a license shall be accompanied by  
12 the following fees: \$50 for applicant's established place  
13 of business; \$25 for each additional place of business, if  
14 any, to which the application pertains; provided, however,  
15 that if such an application is made after June 15 of any  
16 year, the license fee shall be \$25 for applicant's  
17 established place of business plus \$12.50 for each  
18 additional place of business, if any, to which the  
19 application pertains. License fees shall be returnable  
20 only in the event that such application shall be denied by  
21 the Secretary of State.

22 7. A statement that the applicant understands Chapter 1  
23 through Chapter 5 of this Code.

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

26 9. A statement indicating if the applicant, including

1 any of the applicant's affiliates or predecessor  
2 corporations, has been subject to the revocation or  
3 nonrenewal of a business license by a municipality under  
4 Section 5-501.5 of this Code.

5 10. The applicant's National Motor Vehicle Title  
6 Information System number and a statement of compliance if  
7 applicable.

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

14 (d) Anything in this Chapter to the contrary,  
15 notwithstanding, no person shall be licensed under this Section  
16 unless such person shall maintain an established place of  
17 business as defined in this Chapter.

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

1 business in such form as he may prescribe by rule or regulation  
2 which shall include the following:

3 1. the name of the person licensed;

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

10 3. a designation of the kind or kinds of business  
11 enumerated in subsection (a) of this Section to be  
12 conducted at each location;

13 4. in the case of an original license, the established  
14 place of business of the licensee;

15 5. in the case of a supplemental license, the  
16 established place of business of the licensee and the  
17 additional place of business to which such supplemental  
18 license pertains.

19 (f) The appropriate instrument evidencing the license or a  
20 certified copy thereof, provided by the Secretary of State  
21 shall be kept, posted, conspicuously in the established place  
22 of business of the licensee and in each additional place of  
23 business, if any, maintained by such licensee. The licensee  
24 also shall post conspicuously in the established place of  
25 business and in each additional place of business a notice  
26 which states that such business is required to be licensed by

1 the Secretary of State under Section 5-301, and which provides  
2 the license number of the business and the license expiration  
3 date. This notice also shall advise the consumer that any  
4 complaints as to the quality of service may be brought to the  
5 attention of the Attorney General. The information required on  
6 this notice also shall be printed conspicuously on all  
7 estimates and receipts for work by the licensee subject to this  
8 Section. The Secretary of State shall prescribe the specific  
9 format of this notice.

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

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

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

- 25 1. provide proof that the property on which first time  
26 applicants plan to do business is in compliance with local

1 zoning laws and regulations, and a listing of zoning  
2 classification;

3 2. provide proof that the applicant for a repairer's  
4 license complies with the proper workers' compensation  
5 rate code or classification, and listing the code of  
6 classification for that industry;

7 3. provide proof that the applicant for a rebuilder's  
8 license complies with the proper workers' compensation  
9 rate code or classification for the repair industry or the  
10 auto parts recycling industry and listing the code of  
11 classification;

12 4. provide proof that the applicant has obtained or  
13 applied for a hazardous waste generator number, and listing  
14 the actual number if available or certificate of exemption;

15 5. provide proof that applicant has proper liability  
16 insurance, and listing the name of the insurer and the  
17 policy number; and

18 6. provide proof that the applicant has obtained or  
19 applied for the proper State sales tax classification and  
20 federal identification tax number, and listing the actual  
21 numbers if available.

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

25 (j) All automotive parts recyclers shall, in addition to  
26 the requirements of subsections (a) through (h) of this



1 Section, meet the following licensing requirements:

2 1. provide a statement that the applicant purchases 5  
3 vehicles per year or has 5 hulks or chassis in stock;

4 2. provide proof that the property on which all first  
5 time applicants will do business does comply to the proper  
6 local zoning laws in existence, and a listing of zoning  
7 classifications;

8 3. provide proof that applicant complies with the  
9 proper workers' compensation rate code or classification,  
10 and listing the code of classification; and

11 4. provide proof that applicant has obtained or applied  
12 for the proper State sales tax classification and federal  
13 identification tax number, and listing the actual numbers  
14 if available.

15 (Source: P.A. 100-409, eff. 8-25-17.)

16 (625 ILCS 5/5-803)

17 Sec. 5-803. Administrative penalties. Instead of filing a  
18 criminal complaint against a new or used vehicle dealer, or  
19 against any other entity licensed by the Secretary under this  
20 Code, or any other unlicensed entity acting in violation of  
21 this Code, a Secretary of State Police investigator may issue  
22 administrative citations for violations of any of the  
23 provisions of this Code or any administrative rule adopted by  
24 the Secretary under this Code. A party receiving a citation  
25 shall have the right to contest the citation in proceedings

1 before the Secretary of State Department of Administrative  
2 Hearings. Penalties imposed by issuance of an administrative  
3 citation shall not exceed \$50 per violation. A penalty may not  
4 be imposed unless, during the course of a single investigation  
5 or upon review of the party's records, the party is found to  
6 have committed at least 3 separate violations of one or more of  
7 the provisions of this Code or any administrative rule adopted  
8 by the Secretary under this Code. Penalties paid as a result of  
9 the issuance of administrative citations shall be deposited in  
10 the Secretary of State Police Services Fund.

11 (Source: P.A. 97-838, eff. 7-20-12; 98-177, eff. 1-1-14.)

12 Section 99. Effective date. This Act takes effect upon  
13 becoming law.