

1 AN ACT concerning regulation.

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

4 Section 5. The Collateral Recovery Act is amended by
5 changing Section 30 as follows:

6 (225 ILCS 422/30)

7 (Section scheduled to be repealed on January 1, 2022)

8 Sec. 30. License or registration required.

9 (a) It shall be unlawful for any person or entity to
10 repossess a vehicle or collateral in this State, attempt to
11 repossess a vehicle or collateral in this State, or to hold
12 himself, herself, or itself out to be a repossession agency
13 unless licensed under this Act.

14 (b) It shall be unlawful for any person to repossess a
15 vehicle or collateral in this State, attempt to repossess a
16 vehicle or collateral in this State, or to hold himself or
17 herself out to be a licensed recovery manager unless licensed
18 under this Act.

19 (c) It shall be unlawful for any person to repossess a
20 vehicle or collateral in this State, attempt to repossess a
21 vehicle or collateral in this State, or hold himself or herself
22 out to be a repossession agency employee unless he or she holds
23 a valid recovery permit issued by the Commission under this

1 Act.

2 (d) This Act does not apply to a financial institution or
3 the employee of a financial institution when engaged in an
4 activity otherwise covered by this Act if the activity is
5 conducted by the employee on behalf of that financial
6 institution.

7 (e) This Act does not apply to a towing company or towing
8 operator when an employee or agent of the creditor financial
9 institution is present at the site from which the vehicle is
10 towed.

11 (f) This Act does not apply to an automobile rental company
12 or the employee of an automobile rental company when engaged in
13 an activity otherwise covered by this Act if the activity is
14 conducted by the employee on behalf of that automobile rental
15 company.

16 (g) This Act does not apply to a towing company or towing
17 operator when an employee or agent of an automobile rental
18 company is present at the site from which the vehicle is towed.

19 (h) This Act does not apply to a retail seller of equipment
20 or an employee of a retail seller of equipment, as equipment is
21 defined in Section 9-102 of the Uniform Commercial Code, and
22 lawn and grounds care consumer goods when engaged in an
23 activity otherwise covered by this Act if the activity is
24 limited to the repossession of the type of goods routinely sold
25 by that retail seller in the manner authorized by Section 9-609
26 of the Uniform Commercial Code on behalf of the owner of a

1 security interest in that collateral.

2 (i) This Act does not apply to an entity or the employee of
3 an entity that primarily finances wholesale and retail
4 transactions related to the purchase or lease of equipment
5 manufactured by its affiliate when engaged in an activity
6 otherwise covered by this Act if the activity is limited to the
7 repossession of the equipment.

8 (j) This Act does not apply to a salvage auction or the
9 employee of a salvage auction when engaged in an activity
10 otherwise covered by this Act if the activity is conducted by
11 the employee on behalf of that salvage auction.

12 (k) This Act does not apply to a towing company or towing
13 operator when the company or operator is acting on behalf of a
14 salvage auction.

15 (l) This Act does not apply to a vehicle auctioneer
16 licensed under the Illinois Vehicle Code or an employee of such
17 a vehicle auctioneer involved in the selling of a vehicle that
18 was repossessed under this Act unless the vehicle auctioneer or
19 employee of a vehicle auctioneer involved in the selling of the
20 vehicle directly performs repossessions covered by this Act.

21 (m) This Act does not apply to a forwarding person or
22 entity that, acting on behalf of a creditor or lender having a
23 security agreement, does not directly perform repossessions
24 covered by this Act, but instead forwards the actual
25 repossession assignment to a licensed repossession agency
26 under this Act.

1 (Source: P.A. 97-576, eff. 7-1-12; 97-708, eff. 7-1-12.)