



Rep. Robert Rita

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1 AMENDMENT TO HOUSE BILL 2705

2 AMENDMENT NO. _____. Amend House Bill 2705 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Regulatory Sunset Act is amended by
5 changing Section 4.30 and by adding Section 4.40 as follows:

6 (5 ILCS 80/4.30)

7 Sec. 4.30. Acts repealed on January 1, 2020. The following
8 Acts are repealed on January 1, 2020:

9 The Auction License Act.

10 The Community Association Manager Licensing and
11 Disciplinary Act.

12 The Illinois Architecture Practice Act of 1989.

13 The Illinois Landscape Architecture Act of 1989.

14 The Illinois Professional Land Surveyor Act of 1989.

15 The Orthotics, Prosthetics, and Pedorthics Practice Act.

16 The Perfusionist Practice Act.

1 The Pharmacy Practice Act.

2 The Professional Engineering Practice Act of 1989.

3 ~~The Real Estate License Act of 2000.~~

4 The Structural Engineering Practice Act of 1989.

5 (Source: P.A. 100-497, eff. 9-8-17; 100-534, eff. 9-22-17;
6 100-863, eff. 8-14-18.)

7 (5 ILCS 80/4.40 new)

8 Sec. 4.40. Act repealed on January 1, 2030. The following
9 Act is repealed on January 1, 2030:

10 The Real Estate License Act of 2000.

11 Section 10. The Real Estate License Act of 2000 is amended
12 by changing Sections 1-10, 5-5, 5-7, 5-10, 5-15, 5-20, 5-27,
13 5-28, 5-32, 5-35, 5-40, 5-41, 5-45, 5-50, 5-60, 5-70, 5-80,
14 10-5, 10-15, 10-20, 10-30, 10-45, 15-5, 15-10, 15-25, 15-45,
15 15-50, 15-65, 15-75, 20-10, 20-20, 20-21, 20-23, 20-25, 20-60,
16 20-64, 20-65, 20-66, 20-67, 20-68, 20-72, 20-85, 20-90, 25-10,
17 25-13, 25-15, 25-25, 25-35, 30-5, 30-15, and 30-25 and by
18 adding Sections 5-3, 5-27.5, 10-50, 10-55, 10-60, and 25-14.5
19 as follows:

20 (225 ILCS 454/1-10)

21 (Section scheduled to be repealed on January 1, 2020)

22 Sec. 1-10. Definitions. In this Act, unless the context
23 otherwise requires:

1 "Act" means the Real Estate License Act of 2000.

2 "Address of record" means the designated address recorded
3 by the Department in the applicant's or licensee's application
4 file or license file as maintained by the Department's
5 licensure maintenance unit. ~~It is the duty of the applicant or
6 licensee to inform the Department of any change of address, and
7 those changes must be made either through the Department's
8 website or by contacting the Department.~~

9 "Agency" means a relationship in which a broker or
10 licensee, whether directly or through an affiliated licensee,
11 represents a consumer by the consumer's consent, whether
12 express or implied, in a real property transaction.

13 "Applicant" means any person, as defined in this Section,
14 who applies to the Department for a valid license as a managing
15 broker licensee, broker, broker associate, or leasing agent.

16 "Blind advertisement" means any real estate advertisement
17 that is used by a licensee regarding the sale or lease of real
18 estate, licensed activities, or the hiring of any licensee
19 under this Act that does not include the complete sponsoring
20 broker's business name or, in the case of electronic
21 advertisements, does not provide a direct link to a display
22 with all the required disclosures. ~~and that is used by any
23 licensee regarding the sale or lease of real estate, licensed
24 activities, or the hiring of any licensee under this Act. The
25 broker's business name in the case of a franchise shall include
26 the franchise affiliation as well as the name of the individual~~

1 ~~firm.~~

2 "Board" means the Real Estate Administration and
3 Disciplinary Board of the Department as created by Section
4 25-10 of this Act.

5 "Branch office" means a sponsoring broker's office other
6 than the sponsoring broker's principal office.

7 "Broker" means an individual, entity, corporation, foreign
8 or domestic partnership, limited liability company, registered
9 limited liability partnership, or other business entity other
10 than a leasing agent who, whether in person or through any
11 media or technology, for another and for compensation, or with
12 the intention or expectation of receiving compensation, either
13 directly or indirectly:

14 (1) Sells, exchanges, purchases, rents, or leases real
15 estate.

16 (2) Offers to sell, exchange, purchase, rent, or lease
17 real estate.

18 (3) Negotiates, offers, attempts, or agrees to
19 negotiate the sale, exchange, purchase, rental, or leasing
20 of real estate.

21 (4) Lists, offers, attempts, or agrees to list real
22 estate for sale, rent, lease, or exchange.

23 (5) Buys, sells, offers to buy or sell, markets for
24 sale, exchanges, or otherwise deals in options on or
25 contracts for the purchase or sale of real estate or
26 improvements thereon.

1 (6) Supervises the collection, offer, attempt, or
2 agreement to collect rent for the use of real estate.

3 (7) Advertises or represents himself or herself as
4 being engaged in the business of buying, selling,
5 exchanging, renting, or leasing real estate.

6 (8) Assists or directs in procuring or referring of
7 leads or prospects, intended to result in the sale,
8 exchange, lease, or rental of real estate.

9 (9) Assists or directs in the negotiation of any
10 transaction intended to result in the sale, exchange,
11 lease, or rental of real estate.

12 (10) Opens real estate to the public for marketing
13 purposes.

14 (11) Sells, rents, leases, or offers for sale or lease
15 real estate at auction.

16 (12) Prepares or provides a broker price opinion or
17 comparative market analysis as those terms are defined in
18 this Act, pursuant to the provisions of Section 10-45 of
19 this Act.

20 "Broker associate" means a person who has completed all the
21 requirements for obtaining a broker associate license,
22 including completion of the necessary education requirements
23 and successful passage of an examination.

24 "Brokerage agreement" means a written or oral agreement
25 between a sponsoring broker and a consumer for licensed
26 activities to be provided to a consumer in return for

1 compensation or the right to receive compensation from another.
2 Brokerage agreements may constitute either a bilateral or a
3 unilateral agreement between the broker and the broker's client
4 depending upon the content of the brokerage agreement. All
5 exclusive brokerage agreements shall be in writing.

6 "Broker price opinion" means an estimate or analysis of the
7 probable selling price of a particular interest in real estate,
8 which may provide a varying level of detail about the
9 property's condition, market, and neighborhood and information
10 on comparable sales. The activities of a real estate broker
11 associate, broker, or managing broker licensee engaging in the
12 ordinary course of business as a broker, as defined in this
13 Section, shall not be considered a broker price opinion if no
14 compensation is paid to the broker associate, broker, or
15 managing broker licensee, other than compensation based upon
16 the sale or rental of real estate.

17 "Client" means a person who is being represented by a
18 licensee.

19 "Comparative market analysis" is an analysis or opinion
20 regarding pricing, marketing, or financial aspects relating to
21 a specified interest or interests in real estate that may be
22 based upon an analysis of comparative market data, the
23 expertise of the real estate broker associate, broker, or
24 managing broker licensee, and such other factors as the broker
25 associate, broker, or managing broker licensee may deem
26 appropriate in developing or preparing such analysis or

1 opinion. The activities of a real estate broker associate,
2 broker, or managing broker licensee engaging in the ordinary
3 course of business as a broker, as defined in this Section,
4 shall not be considered a comparative market analysis if no
5 compensation is paid to the broker associate, broker, or
6 managing broker licensee, other than compensation based upon
7 the sale or rental of real estate.

8 "Compensation" means the valuable consideration given by
9 one person or entity to another person or entity in exchange
10 for the performance of some activity or service. Compensation
11 shall include the transfer of valuable consideration,
12 including without limitation the following:

- 13 (1) commissions;
- 14 (2) referral fees;
- 15 (3) bonuses;
- 16 (4) prizes;
- 17 (5) merchandise;
- 18 (6) finder fees;
- 19 (7) performance of services;
- 20 (8) coupons or gift certificates;
- 21 (9) discounts;
- 22 (10) rebates;
- 23 (11) a chance to win a raffle, drawing, lottery, or
24 similar game of chance not prohibited by any other law or
25 statute;
- 26 (12) retainer fee; or

1 (13) salary.

2 "Confidential information" means information obtained by a
3 licensee from a client during the term of a brokerage agreement
4 that (i) was made confidential by the written request or
5 written instruction of the client, (ii) deals with the
6 negotiating position of the client, or (iii) is information the
7 disclosure of which could materially harm the negotiating
8 position of the client, unless at any time:

9 (1) the client permits the disclosure of information
10 given by that client by word or conduct;

11 (2) the disclosure is required by law; or

12 (3) the information becomes public from a source other
13 than the licensee.

14 "Confidential information" shall not be considered to
15 include material information about the physical condition of
16 the property.

17 "Consumer" means a person or entity seeking or receiving
18 licensed activities.

19 "Coordinator" means the Coordinator of Real Estate created
20 in Section 25-15 of this Act.

21 "Credit hour" means 50 minutes of classroom instruction in
22 course work that meets the requirements set forth in rules
23 adopted by the Department.

24 "Customer" means a consumer who is not being represented by
25 the licensee ~~but for whom the licensee is performing~~
26 ~~ministerial acts.~~

1 "Department" means the Department of Financial and
2 Professional Regulation.

3 "Designated agency" means a contractual relationship
4 between a sponsoring broker and a client under Section 15-50 of
5 this Act in which one or more licensees associated with or
6 employed by the broker are designated as agent of the client.

7 "Designated agent" means a sponsored licensee named by a
8 sponsoring broker as the legal agent of a client, as provided
9 for in Section 15-50 of this Act.

10 "Designated testing service" means the vendor that is
11 chosen and hired by the Department to administer, score, and
12 report the results on the written examinations provided for in
13 Section 5-35.

14 "Director" means the Director of Real Estate within the
15 Department of Financial and Professional Regulation.

16 "Disclosed dual ~~Dual~~ agency" means an agency relationship
17 in which a licensee is representing both buyer and seller or
18 both landlord and tenant in the same transaction. When the
19 agency relationship is a designated agency, the question of
20 whether there is disclosed a dual agency shall be determined by
21 the agency relationships of the designated agent of the parties
22 and not of the sponsoring broker.

23 "Education provider" means a school licensed by the
24 Department offering courses in pre-license, post-license, or
25 continuing education required by this Act.

26 "Employee" or other derivative of the word "employee", when

1 used to refer to, describe, or delineate the relationship
2 between a sponsoring broker and a managing broker licensee,
3 broker, broker associate, or a leasing agent, shall be
4 construed to include an independent contractor relationship,
5 provided that a written agreement exists that clearly
6 establishes and states the relationship. All responsibilities
7 of a broker shall remain.

8 "Escrow moneys" means all moneys, promissory notes or any
9 other type or manner of legal tender or financial consideration
10 deposited with any person for the benefit of the parties to the
11 transaction. A transaction exists once an agreement has been
12 reached and an accepted real estate contract signed or lease
13 agreed to by the parties. Escrow moneys includes without
14 limitation earnest moneys and security deposits, except those
15 security deposits in which the person holding the security
16 deposit is also the sole owner of the property being leased and
17 for which the security deposit is being held.

18 "Electronic means of proctoring" means a methodology
19 providing assurance that the person taking a test and
20 completing the answers to questions is the person seeking
21 licensure or credit for continuing education and is doing so
22 without the aid of a third party or other device.

23 "Exclusive brokerage agreement" means a written brokerage
24 agreement that provides that the sponsoring broker has the sole
25 right, through one or more sponsored licensees, to act as the
26 exclusive designated agent or representative of the client and

1 that meets the requirements of Section 15-75 of this Act.

2 "Inoperative" means a status of licensure where the
3 licensee holds a current license under this Act, but the
4 licensee is prohibited from engaging in licensed activities
5 because the licensee is unsponsored or the license of the
6 sponsoring broker with whom the licensee is associated or by
7 whom he or she is employed is currently expired, revoked,
8 suspended, or otherwise rendered invalid under this Act.

9 ~~"Interactive delivery method" means delivery of a course by
10 an instructor through a medium allowing for 2-way communication
11 between the instructor and a student in which either can
12 initiate or respond to questions.~~

13 "Leads" means the name or names of a potential buyer,
14 seller, lessor, lessee, or client of a licensee.

15 "Leasing Agent" means a person who is employed by a broker
16 to engage in licensed activities limited to leasing residential
17 real estate who has obtained a license as provided for in
18 Section 5-5 of this Act.

19 "License" means the authority conferred ~~document issued~~ by
20 the Department to a ~~certifying that the person that named~~
21 ~~thereon~~ has fulfilled all requirements prerequisite to any type
22 of licensure under this Act.

23 "Licensed activities" means those activities listed in the
24 definition of "broker" under this Section.

25 "Licensee" means any person, as defined in this Section,
26 who holds a valid unexpired license as a managing broker

1 licensee, broker, broker associate, or leasing agent.

2 ~~"Listing presentation" means a communication between a~~
3 ~~managing broker or broker and a consumer in which the licensee~~
4 ~~is attempting to secure a brokerage agreement with the consumer~~
5 ~~to market the consumer's real estate for sale or lease.~~

6 ~~"Managing broker" means a broker who has supervisory~~
7 ~~responsibilities for licensees in one or, in the case of a~~
8 ~~multi office company, more than one office and who has been~~
9 ~~appointed as such by the sponsoring broker.~~

10 "Managing broker licensee" means a licensee who has
11 completed all the requirements set forth in Section 5-28 and
12 has been issued a managing broker license. "Managing broker
13 licensee" includes a named managing broker.

14 "Medium of advertising" means any method of communication
15 intended to influence the general public to use or purchase a
16 particular good or service or real estate.

17 ~~"Ministerial acts" means those acts that a licensee may~~
18 ~~perform for a consumer that are informative or clerical in~~
19 ~~nature and do not rise to the level of active representation on~~
20 ~~behalf of a consumer. Examples of these acts include without~~
21 ~~limitation (i) responding to phone inquiries by consumers as to~~
22 ~~the availability and pricing of brokerage services, (ii)~~
23 ~~responding to phone inquiries from a consumer concerning the~~
24 ~~price or location of property, (iii) attending an open house~~
25 ~~and responding to questions about the property from a consumer,~~
26 ~~(iv) setting an appointment to view property, (v) responding to~~

1 ~~questions of consumers walking into a licensee's office~~
2 ~~concerning brokerage services offered or particular~~
3 ~~properties, (vi) accompanying an appraiser, inspector,~~
4 ~~contractor, or similar third party on a visit to a property,~~
5 ~~(vii) describing a property or the property's condition in~~
6 ~~response to a consumer's inquiry, (viii) completing business or~~
7 ~~factual information for a consumer on an offer or contract to~~
8 ~~purchase on behalf of a client, (ix) showing a client through a~~
9 ~~property being sold by an owner on his or her own behalf, or~~
10 ~~(x) referral to another broker or service provider.~~

11 "Named managing broker" means a managing broker licensee
12 who has supervisory responsibilities for licensees in one or,
13 in the case of a multi-office company, more than one office and
14 who has been appointed as such by the sponsoring broker.

15 "Office" means a broker's place of business where the
16 general public is invited to transact business and where
17 records may be maintained and licenses displayed, whether or
18 not it is a ~~the broker's~~ principal place of business or branch
19 office.

20 "Person" means and includes individuals, entities,
21 corporations, limited liability companies, registered limited
22 liability partnerships, foreign and domestic partnerships, and
23 other business entities, except that when the context otherwise
24 requires, the term may refer to a single individual or other
25 described entity.

26 ~~"Personal assistant" means a licensed or unlicensed person~~

1 ~~who has been hired for the purpose of aiding or assisting a~~
2 ~~sponsored licensee in the performance of the sponsored~~
3 ~~licensee's job.~~

4 ~~"Pocket card" means the card issued by the Department to~~
5 ~~signify that the person named on the card is currently licensed~~
6 ~~under this Act.~~

7 "Pre-renewal period" means the period between the date of
8 issue of a currently valid license and the license's expiration
9 date.

10 "Proctor" means any person, including, but not limited to,
11 an instructor, who has a written agreement to administer
12 examinations fairly and impartially with a licensed education
13 provider.

14 "Real estate" means and includes leaseholds as well as any
15 other interest or estate in land, whether corporeal,
16 incorporeal, freehold, or non-freehold and whether the real
17 estate is situated in this State or elsewhere. "Real estate"
18 does not include property sold, exchanged, or leased as a
19 timeshare or similar vacation item or interest, vacation club
20 membership, or other activity formerly regulated under the Real
21 Estate Timeshare Act of 1999 (repealed).

22 "Regular employee" means a person working an average of 20
23 hours per week for a person or entity who would be considered
24 as an employee under the Internal Revenue Service eleven main
25 tests in three categories being behavioral control, financial
26 control and the type of relationship of the parties, formerly

1 the twenty factor test.

2 "Secretary" means the Secretary of the Department of
3 Financial and Professional Regulation, or a person authorized
4 by the Secretary to act in the Secretary's stead.

5 "Sponsoring broker" means the broker who has sponsored
6 ~~issued a sponsor card to~~ a licensed managing broker licensee,
7 broker, broker associate, or a leasing agent.

8 ~~"Sponsor card" means the temporary permit issued by the~~
9 ~~sponsoring broker certifying that the managing broker, broker,~~
10 ~~or leasing agent named thereon is employed by or associated by~~
11 ~~written agreement with the sponsoring broker, as provided for~~
12 ~~in Section 5-40 of this Act.~~

13 "Team" shall mean any 2 or more licensees who work together
14 to provide real estate brokerage services, represent
15 themselves to the public as being part of a team or group, are
16 identified by a team name that is different than their
17 sponsoring broker's name and who together are supervised by the
18 same managing broker and sponsored by the same sponsoring
19 broker. "Team" does not mean a separately organized,
20 incorporated, or legal entity.

21 "Team leader" means the person in a team designated by the
22 sponsoring broker and identified to the Department.

23 (Source: P.A. 99-227, eff. 8-3-15; 100-188, eff. 1-1-18;
24 100-534, eff. 9-22-17; 100-831, eff. 1-1-19; 100-863, eff.
25 8-14-18.)

1 (225 ILCS 454/5-3 new)

2 Sec. 5-3. Online license information portal. The
3 Department shall create and maintain an online portal and
4 register of licensees that includes the following:

5 (1) a secure method for applicants and licensees to log
6 on and use the portal, including to change personal
7 information, such as their address and the personal name
8 under which they practice, and to submit required
9 documentation to the Department;

10 (2) a secure method of completing and submitting any
11 application required by this Act to the Department;

12 (3) an updated registry of licensees' names, the status
13 of their licenses, their sponsoring brokers, their named
14 managing brokers, and their primary office locations;

15 (4) a method for licensees to notify the Department and
16 their sponsoring brokers of the termination of their
17 employment or affiliation with their sponsoring brokers;

18 (5) a method for sponsoring brokers to terminate the
19 affiliation of any licensee and for providing notice to the
20 Department and the licensee of the termination;

21 (6) a method for sponsoring brokers to assent to the
22 new affiliation of a licensee; and

23 (7) a method for sponsoring brokers to identify the
24 named managing broker of any principal or branch office, to
25 identify the licensees associated with each of its offices,
26 to change the physical or website address of its offices,

1 and to identify the active team names associated with each
2 of its offices.

3 (225 ILCS 454/5-5)

4 (Section scheduled to be repealed on January 1, 2020)

5 Sec. 5-5. Leasing agent license.

6 (a) The purpose of this Section is to provide for a limited
7 scope license to enable persons who wish to engage in
8 activities limited to the leasing of residential real property
9 for which a license is required under this Act, and only those
10 activities, to do so by obtaining the license provided for
11 under this Section.

12 (b) Notwithstanding the other provisions of this Act, there
13 is hereby created a leasing agent license that shall enable the
14 licensee to engage only in residential leasing activities for
15 which a license is required under this Act. Such activities
16 include leasing or renting residential real property, or
17 attempting, offering, or negotiating to lease or rent
18 residential real property, or supervising the collection,
19 offer, attempt, or agreement to collect rent for the use of
20 residential real property. Nothing in this Section shall be
21 construed to require a ~~licensed~~ managing broker licensee, ~~or~~
22 broker, or broker associate to obtain a leasing agent license
23 in order to perform leasing activities for which a license is
24 required under this Act. Licensed leasing agents, including
25 those operating under subsection (d), may engage in activities

1 enumerated within the definition of "leasing agent" in Section
2 1-10 of this Act and may not engage in any activity that would
3 otherwise require a broker's license, including, but not
4 limited to, selling, offering for sale, negotiating for sale,
5 listing or showing for sale, or referring for sale or
6 commercial lease real estate. Licensed leasing agents must be
7 sponsored and employed by a sponsoring broker.

8 (c) The Department, by rule and in accordance with this
9 Act, shall provide for the licensing of leasing agents,
10 including the issuance, renewal, and administration of
11 licenses.

12 (d) Notwithstanding any other provisions of this Act to the
13 contrary, a person may engage in residential leasing activities
14 for which a license is required under this Act, for a period of
15 120 consecutive days without being licensed, so long as the
16 person is acting under the supervision of a sponsoring broker,
17 the sponsoring broker has notified the Department that the
18 person is pursuing licensure under this Section, and the person
19 has enrolled in the leasing agent pre-license education course
20 no later than 60 days after beginning to engage in residential
21 leasing activities. During the 120-day period all requirements
22 of Sections 5-10 and 5-65 of this Act with respect to
23 education, successful completion of an examination, and the
24 payment of all required fees must be satisfied. The Department
25 may adopt rules to ensure that the provisions of this
26 subsection are not used in a manner that enables an unlicensed

1 person to repeatedly or continually engage in activities for
2 which a license is required under this Act.

3 (Source: P.A. 99-227, eff. 8-3-15; 100-188, eff. 1-1-18.)

4 (225 ILCS 454/5-7)

5 (Section scheduled to be repealed on January 1, 2020)

6 Sec. 5-7. Application for leasing agent license. Every
7 person who desires to obtain a leasing agent license shall
8 apply to the Department and submit ~~in writing on forms provided~~
9 ~~by the Department which application shall be accompanied by the~~
10 required nonrefundable ~~non-refundable~~ fee. Any such
11 application shall require such information as in the judgment
12 of the Department will enable the Department to pass on the
13 qualifications of the applicant for licensure.

14 (Source: P.A. 96-856, eff. 12-31-09.)

15 (225 ILCS 454/5-10)

16 (Section scheduled to be repealed on January 1, 2020)

17 Sec. 5-10. Requirements for license as leasing agent;
18 continuing education.

19 (a) Every applicant for licensure as a leasing agent must
20 meet the following qualifications:

21 (1) be at least 18 years of age;

22 (2) be of good moral character;

23 (3) successfully complete a 4-year course of study in a
24 high school or secondary school or an equivalent course of

1 study approved by the Illinois State Board of Education;

2 (4) personally take and pass a written examination
3 authorized by the Department sufficient to demonstrate the
4 applicant's knowledge of the provisions of this Act
5 relating to leasing agents and the applicant's competence
6 to engage in the activities of a licensed leasing agent;

7 (5) provide satisfactory evidence of having completed
8 15 hours of instruction in an approved course of study
9 relating to the leasing of residential real property. The
10 Board shall recommend to the Department the number of hours
11 each topic of study shall require. The course of study
12 shall, among other topics, cover the provisions of this Act
13 applicable to leasing agents; fair housing and human rights
14 issues relating to residential leasing; advertising and
15 marketing issues; leases, applications, and credit and
16 criminal background reports; owner-tenant relationships
17 and owner-tenant laws; the handling of funds; and
18 environmental issues relating to residential real
19 property;

20 (6) complete any other requirements as set forth by
21 rule; and

22 (7) present a valid application for issuance of an
23 initial license accompanied by a sponsor card and the fees
24 specified by rule.

25 (b) No applicant shall engage in any of the activities
26 covered by this Act without a valid license and sponsorship by

1 ~~a sponsoring broker until a valid sponsor card has been issued~~
2 ~~to such applicant. The sponsor card shall be valid for a~~
3 ~~maximum period of 45 days after the date of issuance unless~~
4 ~~extended for good cause as provided by rule.~~

5 (c) Successfully completed course work, completed pursuant
6 to the requirements of this Section, may be applied to the
7 course work requirements to obtain a managing broker licensee,
8 broker, or broker associate ~~broker's or broker's~~ license as
9 provided by rule. The Board may recommend to the Department and
10 the Department may adopt requirements for approved courses,
11 course content, and the approval of courses, instructors, and
12 education providers, as well as education provider and
13 instructor fees. The Department may establish continuing
14 education requirements for licensed leasing agents, by rule,
15 consistent with the language and intent of this Act, with the
16 advice of the Board.

17 (d) The continuing education requirement for leasing
18 agents shall consist of a single ~~core~~ curriculum to be
19 established by the Department as recommended by the Board.
20 Leasing agents shall be required to complete no less than 8 ~~6~~
21 hours of continuing education in the core curriculum for each
22 2-year renewal period. The curriculum shall consist of a single
23 course or courses on the subjects of fair housing, leases and
24 applications, advertising, the handling of funds, and
25 owner-tenant relationships and owner-tenant laws, all related
26 to residential real estate.

1 (Source: P.A. 99-227, eff. 8-3-15; 100-188, eff. 1-1-18.)

2 (225 ILCS 454/5-15)

3 (Section scheduled to be repealed on January 1, 2020)

4 Sec. 5-15. Necessity of ~~managing broker, broker, or leasing~~
5 ~~agent~~ license ~~or sponsor card~~; ownership restrictions.

6 (a) It is unlawful for any person to act as a managing
7 broker licensee, broker, broker associate, or leasing agent or
8 to advertise or assume to act as such managing broker licensee,
9 broker, broker associate, or leasing agent without a ~~properly~~
10 ~~issued sponsor card or a~~ license issued under this Act by the
11 Department, either directly or through its authorized
12 designee.

13 (b) No corporation shall be granted a license or engage in
14 the business or capacity, either directly or indirectly, of a
15 broker, unless every officer of the corporation who actively
16 participates in the real estate activities of the corporation
17 holds a license as a managing broker licensee or broker and
18 unless every employee who acts as a managing broker licensee,
19 broker, broker associate, or leasing agent for the corporation
20 holds a license as a managing broker licensee, broker, broker
21 associate, or leasing agent. All nonparticipating owners or
22 officers shall submit affidavits of nonparticipation as
23 required by the Department.

24 (c) No partnership shall be granted a license or engage in
25 the business or serve in the capacity, either directly or

1 indirectly, of a broker, unless every partner in the
2 partnership who actively participates in the real estate
3 activities of the partnership holds a license as a managing
4 broker licensee or broker and unless every employee who acts as
5 a managing broker licensee, broker, broker associate, or
6 leasing agent for the partnership holds a license as a managing
7 broker licensee, broker, broker associate, or leasing agent.
8 All nonparticipating partners shall submit affidavits of
9 nonparticipation as required by the Department. In the case of
10 a registered limited liability partnership (LLP), every
11 partner in the LLP that actively participates in the real
12 estate activities of the limited liability partnership must
13 hold a license as a managing broker licensee or broker and
14 every employee who acts as a managing broker licensee, broker,
15 broker associate, or leasing agent must hold a license as a
16 managing broker licensee, broker, broker associate, or leasing
17 agent. All nonparticipating limited liability partners shall
18 submit affidavits of nonparticipation as required by the
19 Department.

20 (d) No limited liability company shall be granted a license
21 or engage in the business or serve in the capacity, either
22 directly or indirectly, of a broker unless every member or
23 manager in the limited liability company that actively
24 participates in the real estate activities of the limited
25 liability company holds a license as a managing broker licensee
26 or broker and unless every other member and employee who acts

1 as a managing broker licensee, broker, broker associate, or
2 leasing agent for the limited liability company holds a license
3 as a managing broker licensee, broker, broker associate, or
4 leasing agent. All nonparticipating members or managers shall
5 submit affidavits of nonparticipation as required by the
6 Department.

7 (e) (Blank).

8 (f) No person shall be granted a license if any
9 participating owner, officer, director, partner, limited
10 liability partner, member, or manager has been denied a real
11 estate license by the Department in the previous 5 years or is
12 otherwise currently barred from real estate practice because of
13 a suspension or revocation.

14 (Source: P.A. 99-227, eff. 8-3-15; 100-831, eff. 1-1-19.)

15 (225 ILCS 454/5-20)

16 (Section scheduled to be repealed on January 1, 2020)

17 Sec. 5-20. Exemptions from managing broker licensee,
18 broker, broker associate, or leasing agent license
19 requirement. The requirement for holding a license under this
20 Article 5 shall not apply to:

21 (1) Any person that as owner or lessor performs any of
22 the acts described in the definition of "broker" under
23 Section 1-10 of this Act with reference to property owned
24 or leased by it, or to the regular employees thereof with
25 respect to the property so owned or leased, where such acts

1 are performed in the regular course of or as an incident to
2 the management, sale, or other disposition of such property
3 and the investment therein, provided that such regular
4 employees do not perform any of the acts described in the
5 definition of "broker" under Section 1-10 of this Act in
6 connection with a vocation of selling or leasing any real
7 estate or the improvements thereon not so owned or leased.

8 (2) An attorney in fact acting under a duly executed
9 and recorded power of attorney to convey real estate from
10 the owner or lessor or the services rendered by an attorney
11 at law in the performance of the attorney's duty as an
12 attorney at law.

13 (3) Any person acting as receiver, trustee in
14 bankruptcy, administrator, executor, or guardian or while
15 acting under a court order or under the authority of a will
16 or testamentary trust.

17 (4) Any person acting as a resident manager for the
18 owner or any employee acting as the resident manager for a
19 broker managing an apartment building, duplex, or
20 apartment complex, when the resident manager resides on the
21 premises, the premises is his or her primary residence, and
22 the resident manager is engaged in the leasing of the
23 property of which he or she is the resident manager.

24 (5) Any officer or employee of a federal agency in the
25 conduct of official duties.

26 (6) Any officer or employee of the State government or

1 any political subdivision thereof performing official
2 duties.

3 (7) Any multiple listing service or other similar
4 information exchange that is engaged in the collection and
5 dissemination of information concerning real estate
6 available for sale, purchase, lease, or exchange for the
7 purpose of providing licensees with a system by which
8 licensees may cooperatively share information along with
9 which no other licensed activities, as defined in Section
10 1-10 of this Act, are provided.

11 (8) Railroads and other public utilities regulated by
12 the State of Illinois, or the officers or full time
13 employees thereof, unless the performance of any licensed
14 activities is in connection with the sale, purchase, lease,
15 or other disposition of real estate or investment therein
16 not needing the approval of the appropriate State
17 regulatory authority.

18 (9) Any medium of advertising in the routine course of
19 selling or publishing advertising along with which no other
20 licensed activities, as defined in Section 1-10 of this
21 Act, are provided.

22 (10) Any resident lessee of a residential dwelling unit
23 who refers for compensation to the owner of the dwelling
24 unit, or to the owner's agent, prospective lessees of
25 dwelling units in the same building or complex as the
26 resident lessee's unit, but only if the resident lessee (i)

1 refers no more than 3 prospective lessees in any 12-month
2 period, (ii) receives compensation of no more than \$1,500
3 or the equivalent of one month's rent, whichever is less,
4 in any 12-month period, and (iii) limits his or her
5 activities to referring prospective lessees to the owner,
6 or the owner's agent, and does not show a residential
7 dwelling unit to a prospective lessee, discuss terms or
8 conditions of leasing a dwelling unit with a prospective
9 lessee, or otherwise participate in the negotiation of the
10 leasing of a dwelling unit.

11 (11) The purchase, sale, or transfer of a timeshare or
12 similar vacation item or interest, vacation club
13 membership, or other activity formerly regulated under the
14 Real Estate Timeshare Act of 1999 (repealed).

15 (12) (Blank).

16 (13) Any person who is licensed without examination
17 under Section 10-25 (now repealed) of the Auction License
18 Act is exempt from holding a managing broker licensee,
19 broker, or broker associate ~~broker's or broker's~~ license
20 under this Act for the limited purpose of selling or
21 leasing real estate at auction, so long as:

22 (A) that person has made application for said
23 exemption by July 1, 2000;

24 (B) that person verifies to the Department that he
25 or she has sold real estate at auction for a period of
26 5 years prior to licensure as an auctioneer;

1 (C) the person has had no lapse in his or her
2 license as an auctioneer; and

3 (D) the license issued under the Auction License
4 Act has not been disciplined for violation of those
5 provisions of Article 20 of the Auction License Act
6 dealing with or related to the sale or lease of real
7 estate at auction.

8 (14) A person who holds a valid license under the
9 Auction License Act and a valid real estate auction
10 certification and conducts auctions for the sale of real
11 estate under Section 5-32 of this Act.

12 (15) A hotel operator who is registered with the
13 Illinois Department of Revenue and pays taxes under the
14 Hotel Operators' Occupation Tax Act and rents a room or
15 rooms in a hotel as defined in the Hotel Operators'
16 Occupation Tax Act for a period of not more than 30
17 consecutive days and not more than 60 days in a calendar
18 year.

19 (Source: P.A. 99-227, eff. 8-3-15; 100-534, eff. 9-22-17;
20 100-831, eff. 1-1-19.)

21 (225 ILCS 454/5-27)

22 (Section scheduled to be repealed on January 1, 2020)

23 Sec. 5-27. Requirements for ~~licensure as a broker~~ associate
24 license.

25 (a) Every applicant for ~~licensure as~~ a broker associate

1 license must meet the following qualifications:

2 (1) Be at least 18 ~~21~~ years of age. ~~The minimum age of~~
3 ~~21 years shall be waived for any person seeking a license~~
4 ~~as a broker who has attained the age of 18 and can provide~~
5 ~~evidence of the successful completion of at least 4~~
6 ~~semesters of post secondary school study as a full time~~
7 ~~student or the equivalent, with major emphasis on real~~
8 ~~estate courses, in a school approved by the Department;~~

9 (2) Be of good moral character;

10 (3) Successfully complete a 4-year course of study in a
11 high school or secondary school approved by the Illinois
12 State Board of Education or an equivalent course of study
13 as determined by an examination conducted by the Illinois
14 State Board of Education which shall be verified under oath
15 by the applicant;

16 (4) (Blank);

17 (5) Provide satisfactory evidence of having completed
18 45 ~~90~~ hours of instruction in real estate courses approved
19 by the Department, ~~15 hours of~~ which must be ~~consist of~~
20 ~~situational and case studies~~ presented in the classroom or
21 by live, interactive webinar or online distance education
22 courses;

23 (6) Personally take and pass a written examination
24 authorized by the Department;

25 (7) Submit a completed ~~Present a valid~~ application for
26 ~~issuance of~~ a license accompanied by any ~~a sponsor card and~~

1 ~~the~~ fees specified by rule.

2 (b) The requirements specified in items (3) and (5) of
3 subsection (a) of this Section do not apply to applicants who
4 are currently admitted to practice law by the Supreme Court of
5 Illinois and are currently in active standing.

6 (c) No applicant shall engage in any of the activities
7 covered by this Act until a valid license ~~sponsor card~~ has been
8 issued to such applicant. ~~The sponsor card shall be valid for a~~
9 ~~maximum period of 45 days after the date of issuance unless~~
10 ~~extended for good cause as provided by rule.~~

11 (d) Licensees shall make their license ~~All licenses should~~
12 ~~be~~ readily available to the public at their place of business.

13 ~~(e) An individual holding an active license as a managing~~
14 ~~broker may return the license to the Department along with a~~
15 ~~form provided by the Department and shall be issued a broker's~~
16 ~~license in exchange. Any individual obtaining a broker's~~
17 ~~license under this subsection (e) shall be considered as having~~
18 ~~obtained a broker's license by education and passing the~~
19 ~~required test and shall be treated as such in determining~~
20 ~~compliance with this Act.~~

21 (Source: P.A. 99-227, eff. 8-3-15; 100-188, eff. 1-1-18.)

22 (225 ILCS 454/5-27.5 new)

23 Sec. 5-27.5. Requirements for a broker license.

24 (a) Every applicant for a broker license must meet the
25 following qualifications:

1 (1) be of good moral character;

2 (2) be licensed as a broker associate for at least 24
3 months immediately before application;

4 (3) successfully complete a 4-year course of study in a
5 high school or secondary school approved by the Illinois
6 State Board of Education or an equivalent course of study
7 as determined by an examination conducted by the Illinois
8 State Board of Education that shall be verified under oath
9 by the applicant;

10 (4) provide satisfactory evidence that, within the 12
11 months immediately preceding the filing of an application
12 for a broker license, the applicant has completed a 75-hour
13 course of instruction in real estate approved by the
14 Department and received a score of at least 75% on a course
15 final examination; the 75-hour course, including all
16 written materials and the course final examination, shall
17 be developed together for use by all licensed education
18 providers that deliver the course; the course must be
19 delivered in either a classroom or by a live, interactive
20 webinar or online distance education format; the course
21 final examination that accompanies that 75-hour course
22 shall consist of 100 questions that shall for each
23 individual test be randomly selected from a pool of no less
24 than 350 questions; the Department may engage a third party
25 to develop the course and accompanying course final
26 examination, which shall be developed according to

1 accepted standards in education, testing, and assessments;
2 the examination must be administered electronically such
3 that each test taker can electronically receive and respond
4 to a randomized collection of 100 questions and the results
5 of the test shall be provided immediately upon completion
6 of the exam;

7 (5) submit a completed application for a broker license
8 that shall identify the applicant's current sponsoring
9 broker and the sponsoring broker by whom the applicant
10 intends to be sponsored upon receipt of the broker license,
11 if different, together with any fees specified by rule;

12 (b) The requirements in paragraphs (2) and (3) of
13 subsection (a) do not apply to applicants who hold a license to
14 practice law issued by the Supreme Court of Illinois and are
15 currently in active standing.

16 (c) The Department shall be required to provide a means for
17 electronic notification of any sponsoring broker named in an
18 application for a broker license and a process by which any
19 sponsoring broker so notified may electronically acknowledge
20 receiving the notice. In the case of the sponsoring broker by
21 whom the applicant intends to be sponsored, the Department
22 shall be required to provide a means for that sponsoring broker
23 to electronically assent to the sponsorship.

24 (d) An individual actively licensed as a managing broker
25 licensee may apply to the Department to be issued a broker
26 license, in which event the managing broker licensee license

1 will be cancelled and a broker license issued. Any individual
2 obtaining a broker license under this subsection (e) shall be
3 considered as having satisfied the requirements for a broker
4 license and having obtained the broker license during the
5 renewal period in which the broker license is issued and shall
6 be treated as such in determining compliance with this Act.

7 (225 ILCS 454/5-28)

8 (Section scheduled to be repealed on January 1, 2020)

9 Sec. 5-28. Requirements for licensure as a managing broker
10 licensee.

11 (a) Every applicant for licensure as a managing broker
12 licensee must meet the following qualifications:

13 (1) (blank); ~~be at least 21 years of age;~~

14 (2) be of good moral character;

15 (3) have been licensed at least 2 out of the preceding
16 3 years as a broker;

17 (4) successfully complete a 4-year course of study in
18 high school or secondary school approved by the Illinois
19 State Board of Education or an equivalent course of study
20 as determined by an examination conducted by the Illinois
21 State Board of Education, which shall be verified under
22 oath by the applicant;

23 (5) provide satisfactory evidence of having completed
24 at least ~~165 hours, 120 of which shall be those hours~~
25 ~~required pre and post licensure to obtain a broker's~~

1 ~~license, and 45 additional~~ hours of instruction completed
2 within the year immediately preceding the filing of an
3 application for a managing broker licensee ~~broker's~~
4 license, which hours shall focus on brokerage
5 administration and management and leasing agent management
6 and that must be presented ~~include at least 15 hours~~ in the
7 classroom or by live, interactive webinar or online
8 distance education courses;

9 (6) personally take and pass a written examination
10 authorized by the Department; and

11 (7) submit ~~present~~ a valid application for issuance of
12 a license together with any ~~accompanied by a sponsor card,~~
13 ~~an appointment as a managing broker, and the fees specified~~
14 by rule.

15 (b) The requirements specified in item (5) of subsection
16 (a) of this Section do not apply to applicants who are
17 currently admitted to practice law by the Supreme Court of
18 Illinois and are currently in active standing.

19 (c) No applicant shall act as a managing broker for more
20 than 90 days after an appointment as a managing broker has been
21 filed with the Department without obtaining a managing broker
22 licensee ~~broker's~~ license.

23 (Source: P.A. 99-227, eff. 8-3-15; 100-188, eff. 1-1-18.)

24 (225 ILCS 454/5-32)

25 (Section scheduled to be repealed on January 1, 2020)

1 Sec. 5-32. Real estate auction certification.

2 (a) An auctioneer licensed under the Auction License Act
3 who does not possess a valid and active broker ~~broker's~~ or
4 managing broker licensee ~~broker's~~ license under this Act, or
5 who is not otherwise exempt from licensure, may not engage in
6 the practice of auctioning real estate, except as provided in
7 this Section.

8 (b) The Department shall issue a real estate auction
9 certification to applicants who:

10 (1) possess a valid auctioneer ~~auctioneer's~~ license
11 under the Auction License Act;

12 (2) successfully complete a real estate auction course
13 of at least 30 hours approved by the Department, which
14 shall cover the scope of activities that may be engaged in
15 by a person holding a real estate auction certification and
16 the activities for which a person must hold a real estate
17 license, as well as other material as provided by the
18 Department;

19 (3) provide documentation of the completion of the real
20 estate auction course; and

21 (4) successfully complete any other reasonable
22 requirements as provided by rule.

23 (c) The auctioneer's role shall be limited to establishing
24 the time, place, and method of the real estate auction, placing
25 advertisements regarding the auction, and crying or calling the
26 auction; any other real estate brokerage activities must be

1 performed by a person holding a valid and active broker
2 associate, broker, or managing broker licensee ~~broker's or~~
3 ~~managing broker's~~ license under the provisions of this Act or
4 by a person who is exempt from holding a license under
5 paragraph (13) of Section 5-20 who has a certificate under this
6 Section.

7 (d) An auctioneer who conducts any real estate auction
8 activities in violation of this Section is guilty of unlicensed
9 practice under Section 20-10 of this Act.

10 (e) The Department may revoke, suspend, or otherwise
11 discipline the real estate auction certification of an
12 auctioneer who is adjudicated to be in violation of the
13 provisions of this Section or Section 20-15 of the Auction
14 License Act.

15 (f) Advertising for the real estate auction must contain
16 the name and address of the licensed broker associate, broker,
17 managing broker licensee, or a licensed auctioneer under
18 paragraph (13) of Section 5-20 of this Act who is providing
19 brokerage services for the transaction.

20 (g) The requirement to hold a real estate auction
21 certification shall not apply to a person exempt from this Act
22 under the provisions of paragraph (13) of Section 5-20 of this
23 Act, unless that person is performing licensed activities in a
24 transaction in which a licensed auctioneer with a real estate
25 certification is providing the limited services provided for in
26 subsection (c) of this Section.

1 (h) Nothing in this Section shall require a person licensed
2 under this Act as a broker associate, broker, or managing
3 broker licensee to obtain a real estate auction certification
4 in order to auction real estate.

5 (i) The Department may adopt rules to implement this
6 Section.

7 (Source: P.A. 98-553, eff. 1-1-14; 98-756, eff. 7-16-14;
8 99-227, eff. 8-3-15.)

9 (225 ILCS 454/5-35)

10 (Section scheduled to be repealed on January 1, 2020)

11 Sec. 5-35. Examination; managing broker licensee, broker
12 associate, ~~broker~~, or leasing agent.

13 (a) The Department shall authorize examinations at such
14 times and places as it may designate. The examination shall be
15 of a character to give a fair test of the qualifications of the
16 applicant to practice as a managing broker licensee, broker
17 associate, or leasing agent. Written examinations for leasing
18 agents, broker associates, and managing broker licensees shall
19 only require testing on principles and subjects related to the
20 practice of real estate brokerage in the State of Illinois.
21 Applicants for the State examination as a managing broker
22 licensee, broker associate, or leasing agent shall be required
23 to pay, either to the Department or the designated testing
24 service, a fee covering the cost of providing the examination.
25 Failure to appear for the examination on the scheduled date, at

1 the time and place specified, after the applicant's application
2 for examination has been received and acknowledged by the
3 Department or the designated testing service, shall result in
4 the forfeiture of the examination fee. An applicant shall be
5 eligible to take the examination only after successfully
6 completing the education requirements and attaining the
7 minimum age provided for in Article 5 of this Act. Each
8 applicant shall be required to establish compliance with the
9 eligibility requirements in the manner provided by the rules
10 promulgated for the administration of this Act.

11 (b) If a person who has received a passing score on the
12 written State examination described in this Section fails to
13 submit ~~file~~ an application and meet all requirements for a
14 license under this Act within one year after receiving a
15 passing score on the examination, credit for the examination
16 shall terminate. The person thereafter may make a new
17 application for examination.

18 (c) If an applicant has failed an examination 3 consecutive
19 ~~4~~ times, the applicant must repeat the pre-license education
20 required to sit for that ~~the~~ examination. For the purposes of
21 this Section, the fourth ~~fifth~~ attempt shall be the same as the
22 first. Approved education, as prescribed by this Act for
23 licensure as a managing broker licensee, broker, broker
24 associate, or leasing agent, shall be valid for 2 ~~4~~ years after
25 the date of satisfactory completion of the education.

26 (d) Either the ~~The~~ Department or the designated testing

1 service, whomever is charged with preparing the examination,
2 shall be required to submit a written examination every 2 years
3 for peer review by no less than 5 people, among whom at least
4 one must be a licensed instructor, one must be a licensed
5 managing broker licensee, and one must be a representative of a
6 statewide real estate trade association that represents
7 Illinois real estate broker licensees ~~may employ consultants~~
8 ~~for the purposes of preparing and conducting examinations.~~
9 Nothing in this Act, rules adopted to implement this Act, or
10 the practice of the Department shall require the designated
11 testing service to provide more than one examination to the
12 Department.

13 (e) The Department may create and administer a written
14 examination on principles and subjects related to the practice
15 of real estate brokerage outside the State of Illinois, as a
16 national examination. Applicants for the national examination
17 shall be required to pay, either to the Department or the
18 designated testing service, a fee covering the cost of
19 providing the national examination. An applicant shall be
20 eligible to take the national examination only if the applicant
21 holds a current broker license or managing broker licensee
22 license.

23 (f) The Department shall be required to collect data on the
24 results of the written examinations provided for in this
25 Section, which shall include, but not be limited to, data that
26 identifies the education provider used by each test taker and

1 the test taker's results, including his or her results by
2 subject area. The data shall not include information that
3 identifies the name or any other personal information of the
4 test taker. The data compiled by the Department shall be
5 submitted no fewer than semi-annually to all education
6 providers licensed by the Department to provide those courses
7 required for licensure as a broker associate or managing broker
8 licensee under this Act.

9 (Source: P.A. 99-227, eff. 8-3-15.)

10 (225 ILCS 454/5-40)

11 (Section scheduled to be repealed on January 1, 2020)

12 Sec. 5-40. Sponsor ~~Sponsor card; termination indicated by~~
13 ~~license endorsement; association with new broker.~~

14 (a) No managing broker licensee, broker, broker associate,
15 or leasing agent shall engage in the activity for which he or
16 she is licensed without sponsorship by a licensed sponsoring
17 broker. The sponsoring broker shall prepare upon forms provided
18 by the Department and deliver to each licensee employed by or
19 associated with the sponsoring broker a sponsor card certifying
20 that the person whose name appears thereon is in fact employed
21 by or associated with the sponsoring broker. The sponsoring
22 broker shall send a duplicate of each sponsor card, along with
23 a valid license or other authorization as provided by rule and
24 the appropriate fee, to the Department within 24 hours of
25 issuance of the sponsor card. It is a violation of this Act for

1 ~~any broker to issue a sponsor card to any licensee or applicant~~
2 ~~unless the licensee or applicant presents in hand a valid~~
3 ~~license or other authorization as provided by rule.~~

4 (b) A licensee may become employed by or associated with a
5 sponsoring broker upon the sponsoring broker's assent to that
6 affiliation. However, when a licensee must provide the
7 Department and the licensee's current sponsoring broker, if
8 applicable, with notice at least 2 days in advance of the
9 licensee's intent to terminate ~~terminates~~ his or her employment
10 or association with the current a sponsoring broker.

11 (b-5) If a licensee's or the employment or association is
12 terminated by the licensee's current sponsoring broker, then
13 the sponsoring broker shall immediately notify the Department
14 and the licensee. ~~the licensee shall obtain from the sponsoring~~
15 ~~broker his or her license endorsed by the sponsoring broker~~
16 ~~indicating the termination. The sponsoring broker shall~~
17 ~~surrender to the Department a copy of the license of the~~
18 ~~licensee within 2 days of the termination or shall notify the~~
19 ~~Department in writing of the termination and explain why a copy~~
20 ~~of the license is not surrendered. Failure of the sponsoring~~
21 ~~broker to surrender the license shall subject the sponsoring~~
22 ~~broker to discipline under Section 20-20 of this Act. The~~
23 ~~license of any licensee whose association with a sponsoring~~
24 ~~broker is terminated shall automatically become inoperative~~
25 ~~immediately upon the termination unless the licensee accepts~~
26 ~~employment or becomes associated with a new sponsoring broker~~

1 pursuant to subsection (b) ~~(e)~~ of this Section.

2 (c) (Blank). ~~When a licensee accepts employment or~~
3 ~~association with a new sponsoring broker, the new sponsoring~~
4 ~~broker shall send to the Department a duplicate sponsor card,~~
5 ~~along with the licensee's endorsed license or an affidavit of~~
6 ~~the licensee of why the endorsed license is not surrendered,~~
7 ~~and shall pay the appropriate fee prescribed by rule to cover~~
8 ~~administrative expenses attendant to the changes in the~~
9 ~~registration of the licensee.~~

10 (d) Each of the notices required by this Section shall be
11 provided by the Department's online license information
12 portal.

13 (Source: P.A. 96-856, eff. 12-31-09.)

14 (225 ILCS 454/5-41)

15 (Section scheduled to be repealed on January 1, 2020)

16 Sec. 5-41. Change of address. A licensee shall notify the
17 Department of the address or addresses, and of every change of
18 address, where the licensee practices as a leasing agent,
19 broker associate, broker, or managing broker licensee, as well
20 as any email address and every change of email address the
21 licensee uses to practice as a leasing agent, broker associate,
22 broker, or managing broker licensee.

23 (Source: P.A. 99-227, eff. 8-3-15.)

24 (225 ILCS 454/5-45)

1 (Section scheduled to be repealed on January 1, 2020)

2 Sec. 5-45. Offices.

3 (a) If a sponsoring broker maintains more than one office
4 within the State, the sponsoring broker shall notify the
5 Department ~~of on forms prescribed by the Department for~~ each
6 office in addition to ~~other than~~ the sponsoring broker's
7 principal place of business. The brokerage license shall be
8 displayed conspicuously in each branch office. The name of each
9 branch office shall be the same as that of the sponsoring
10 broker's principal office or shall clearly identify ~~delineate~~
11 the branch office's relationship with the principal office.

12 (b) The sponsoring broker shall designate ~~name~~ a named
13 managing broker for each branch office and the sponsoring
14 broker shall be responsible for supervising all named managing
15 brokers. The sponsoring broker shall notify the Department ~~in~~
16 ~~writing~~ of the name of all named managing brokers of the
17 sponsoring broker and the office or offices they manage. Any
18 person designated ~~initially named~~ as a named managing broker
19 ~~after April 30, 2011~~ must ~~either (i)~~ be licensed as a managing
20 broker licensee ~~or (ii)~~ ~~meet all the requirements to be~~
21 ~~licensed as a managing broker except the required education and~~
22 ~~examination and secure the managing broker's license within 90~~
23 ~~days of being named as a managing broker~~. Any changes in named
24 managing brokers shall be reported to the Department
25 immediately using the online license information portal ~~in~~
26 ~~writing within 15 days of the change~~. Failure to do so shall

1 subject the sponsoring broker to discipline under Section 20-20
2 of this Act.

3 (c) The sponsoring broker shall immediately notify the
4 Department using the online license information portal ~~in~~
5 ~~writing~~ of any opening, closing, or change in location of any
6 principal or branch office or change in website address where
7 the public is invited to transact business.

8 (d) Except as provided in this Section, each sponsoring
9 broker shall maintain a mailing address within this State at
10 which he or she may be contacted ~~definite office, or place of~~
11 ~~business within this State for the transaction of real estate~~
12 ~~business, shall conspicuously display an identification sign~~
13 ~~on the outside of his or her office of adequate size and~~
14 ~~visibility.~~ Any record required by this Act to be created or
15 maintained shall be, in the case of a physical record, securely
16 stored and accessible for inspection by the Department at the
17 sponsoring broker's principal office and, in the case of an
18 electronic record, securely stored in the format it was
19 originally generated, sent, or received and accessible for
20 inspection by the Department by secure electronic access to the
21 record. Any record relating to a transaction or a special
22 account shall be maintained for a minimum of 5 years, and any
23 electronic record shall be backed up at least monthly. Any
24 physical ~~The office or place of business~~ shall not be located
25 in any retail or financial business establishment unless it is
26 separated from the other business by a separate and distinct

1 area within the establishment. A broker who is licensed in this
2 State by examination or pursuant to the provisions of Section
3 5-60 of this Act shall not be required to maintain a definite
4 office ~~or place of business~~ in this State provided all of the
5 following conditions are met:

6 (1) the broker maintains an active broker ~~broker's~~
7 license in the broker's state of domicile;

8 (2) the broker maintains an office in the broker's
9 state of domicile; and

10 (3) the broker has filed with the Department written
11 statements appointing the Secretary to act as the broker's
12 agent upon whom all judicial and other process or legal
13 notices directed to the licensee may be served and agreeing
14 to abide by all of the provisions of this Act with respect
15 to his or her real estate activities within the State of
16 Illinois and submitting to the jurisdiction of the
17 Department.

18 The statements under subdivision (3) of this Section shall
19 be in form and substance the same as those statements required
20 under Section 5-60 of this Act and shall operate to the same
21 extent.

22 (e) Upon the loss of a named managing broker who is not
23 replaced by the sponsoring broker or in the event of the death
24 or adjudicated disability of the sole proprietor of an office,
25 a written request for authorization allowing the continued
26 operation of the office may be submitted to the Department

1 within 15 days of the loss. The Department may issue a written
2 authorization allowing the continued operation, provided that
3 a licensed broker, or in the case of the death or adjudicated
4 disability of a sole proprietor, the representative of the
5 estate, assumes responsibility, in writing, for the operation
6 of the office and agrees to personally supervise the operation
7 of the office. No such written authorization shall be valid for
8 more than 60 days unless extended by the Department for good
9 cause shown and upon written request by the broker or
10 representative.

11 (Source: P.A. 100-831, eff. 1-1-19.)

12 (225 ILCS 454/5-50)

13 (Section scheduled to be repealed on January 1, 2020)

14 Sec. 5-50. Expiration and renewal of managing broker
15 licensee, broker, broker associate, or leasing agent license;
16 ~~sponsoring broker, register of licensees, pocket card.~~

17 (a) Except as provided for in this Section, the ~~The~~
18 expiration date and renewal period for each license issued
19 under this Act shall be set by rule. Except as otherwise
20 provided in this Section, the holder of a license may renew the
21 license within 90 days preceding the expiration date thereof by
22 completing the continuing education required by this Act and
23 paying the fees specified by rule.

24 (b) An individual whose first license is that of a broker
25 received on or after the effective date of this amendatory Act

1 of the 100th General Assembly and before the effective date of
2 this amendatory Act of the 101st General Assembly, must provide
3 evidence of having completed 30 hours of post-license education
4 in courses recommended by the Board and approved by the
5 Department, 15 hours of which must consist of situational and
6 case studies presented in a classroom or a live, interactive
7 webinar, online distance education course, or home study
8 course. Credit for courses taken through a home study course
9 shall require passage of an examination approved by the
10 Department. Credit for the 30 hours of post-license education
11 must be received prior to the licensee's first renewal of his
12 or her broker ~~their broker's~~ license.

13 (c) Any managing broker licensee, broker, or leasing agent
14 whose license under this Act has expired shall be eligible to
15 renew the license during the 2-year period following the
16 expiration date, provided the managing broker licensee,
17 broker, or leasing agent pays the fees as prescribed by rule
18 and completes continuing education and other requirements
19 provided for by the Act or by rule. ~~Beginning on May 1, 2012, a~~
20 ~~managing broker licensee, broker, or leasing agent whose~~
21 ~~license has been expired for more than 2 years but less than 5~~
22 ~~years may have it restored by (i) applying to the Department,~~
23 ~~(ii) paying the required fee, (iii) completing the continuing~~
24 ~~education requirements for the most recent pre-renewal period~~
25 ~~that ended prior to the date of the application for~~
26 ~~reinstatement, and (iv) filing acceptable proof of fitness to~~

1 ~~have his or her license restored, as set by rule. A managing~~
2 ~~broker, broker, or leasing agent whose license has been expired~~
3 ~~for more than 5 years shall be required to meet the~~
4 ~~requirements for a new license.~~

5 (c-5) A broker associate license shall be valid for a
6 period of 2 years from the date on which it is first issued.
7 Any broker associate who has not completed the requirements for
8 and submitted a complete application for a broker license
9 before the expiration of the broker associate license shall be
10 eligible to renew the broker associate license if the licensee
11 pays the fees as prescribed by rule and completes the
12 continuing education and other requirements provided for by
13 this Act or by rule before the expiration of the license.

14 (d) Notwithstanding any other provisions of this Act to the
15 contrary, any managing broker licensee, broker, broker
16 associate, or leasing agent whose license expired while he or
17 she was (i) on active duty with the Armed Forces of the United
18 States or called into service or training by the state militia,
19 (ii) engaged in training or education under the supervision of
20 the United States preliminary to induction into military
21 service, or (iii) serving as the Coordinator of Real Estate in
22 the State of Illinois or as an employee of the Department may
23 have his or her license renewed, reinstated or restored without
24 paying any lapsed renewal fees if within 2 years after the
25 termination of the service, training or education by furnishing
26 the Department with satisfactory evidence of service,

1 training, or education and it has been terminated under
2 honorable conditions.

3 (e) (Blank). ~~The Department shall establish and maintain a~~
4 ~~register of all persons currently licensed by the State and~~
5 ~~shall issue and prescribe a form of pocket card. Upon payment~~
6 ~~by a licensee of the appropriate fee as prescribed by rule for~~
7 ~~engagement in the activity for which the licensee is qualified~~
8 ~~and holds a license for the current period, the Department~~
9 ~~shall issue a pocket card to the licensee. The pocket card~~
10 ~~shall be verification that the required fee for the current~~
11 ~~period has been paid and shall indicate that the person named~~
12 ~~thereon is licensed for the current renewal period as a~~
13 ~~managing broker, broker, or leasing agent as the case may be.~~
14 ~~The pocket card shall further indicate that the person named~~
15 ~~thereon is authorized by the Department to engage in the~~
16 ~~licensed activity appropriate for his or her status (managing~~
17 ~~broker, broker, or leasing agent). Each licensee shall carry on~~
18 ~~his or her person his or her pocket card or, if such pocket~~
19 ~~card has not yet been issued, a properly issued sponsor card~~
20 ~~when engaging in any licensed activity and shall display the~~
21 ~~same on demand.~~

22 (f) The Department shall provide an electronic notice of
23 renewal to both the sponsoring broker ~~a notice of renewal~~ for
24 all sponsored licensees that are associated with that
25 sponsoring broker as well as to each licensee ~~by mailing the~~
26 ~~notice to the sponsoring broker's address of record, or, at the~~

1 ~~Department's discretion, by an electronic means as provided for~~
2 ~~by rule.~~

3 (g) ~~Upon request from the sponsoring broker, the Department~~
4 ~~shall make available to the sponsoring broker, either by mail~~
5 ~~or by an electronic means at the discretion of the Department,~~
6 ~~a listing of licensees under this Act who, according to the~~
7 ~~records of the Department, are sponsored by that broker. Every~~
8 licensee associated with or employed by a sponsoring broker
9 whose license is revoked, suspended, terminated, or expired
10 shall be considered as inoperative until such time as the
11 sponsoring broker ~~broker's~~ license is reinstated or renewed, or
12 the licensee changes employment as set forth in subsection (b)
13 ~~(e)~~ of Section 5-40 of this Act.

14 (Source: P.A. 99-227, eff. 8-3-15; 100-188, eff. 1-1-18.)

15 (225 ILCS 454/5-60)

16 (Section scheduled to be repealed on January 1, 2020)

17 Sec. 5-60. Managing broker licensee licensed in another
18 state; broker licensed in another state; reciprocal
19 agreements; agent for service of process.

20 (a) ~~A Effective May 1, 2011, a managing broker licensee~~
21 ~~broker's~~ license may be issued by the Department to a managing
22 broker licensee or its equivalent licensed under the laws of
23 another state of the United States, under the following
24 conditions:

25 (1) the managing broker licensee holds a managing

1 broker licensee ~~broker's~~ license in a state that has
2 entered into a reciprocal agreement with the Department;

3 (2) the standards for that state for licensing as a
4 managing broker licensee are substantially equal to or
5 greater than the minimum standards in the State of
6 Illinois;

7 (3) the managing broker licensee has been actively
8 practicing as a managing broker licensee in the managing
9 broker licensee's ~~broker's~~ state of licensure for a period
10 of not less than 2 years, immediately prior to the date of
11 application;

12 (4) the managing broker licensee furnishes the
13 Department with a statement under seal of the proper
14 licensing authority of the state in which the managing
15 broker licensee is licensed showing that the managing
16 broker has an active managing broker licensee ~~broker's~~
17 license, that the managing broker licensee is in good
18 standing, and that no complaints are pending against the
19 managing broker licensee in that state;

20 (5) the managing broker licensee passes a test on
21 Illinois specific real estate brokerage laws; and

22 (6) the managing broker licensee was licensed by an
23 examination in the state that has entered into a reciprocal
24 agreement with the Department.

25 (b) A broker ~~broker's~~ license may be issued by the
26 Department to a broker or its equivalent licensed under the

1 laws of another state of the United States, under the following
2 conditions:

3 (1) the broker holds a broker ~~broker's~~ license in a
4 state that has entered into a reciprocal agreement with the
5 Department;

6 (2) the standards for that state for licensing as a
7 broker are substantially equivalent to or greater than the
8 minimum standards in the State of Illinois;

9 (3) ~~if the application is made prior to May 1, 2012,~~
10 ~~then~~ the broker has been actively practicing as a broker in
11 the broker's state of licensure for a period of not less
12 than 2 years, immediately prior to the date of application;

13 (4) the broker furnishes the Department with a
14 statement under seal of the proper licensing authority of
15 the state in which the broker is licensed showing that the
16 broker has an active broker ~~broker's~~ license, that the
17 broker is in good standing, and that no complaints are
18 pending against the broker in that state;

19 (5) the broker passes a test on Illinois specific real
20 estate brokerage laws; and

21 (6) the broker was licensed by an examination in a
22 state that has entered into a reciprocal agreement with the
23 Department.

24 (c) (Blank).

25 (d) As a condition precedent to the issuance of a license
26 to a managing broker licensee or broker pursuant to this

1 Section, the managing broker licensee or broker shall agree in
2 writing to abide by all the provisions of this Act with respect
3 to his or her real estate activities within the State of
4 Illinois and submit to the jurisdiction of the Department as
5 provided in this Act. The agreement shall be filed with the
6 Department and shall remain in force for so long as the
7 managing broker licensee or broker is licensed by this State
8 and thereafter with respect to acts or omissions committed
9 while licensed as a managing broker licensee or broker in this
10 State.

11 (e) Prior to the issuance of any license to any managing
12 broker licensee or broker pursuant to this Section,
13 verification of active licensure issued for the conduct of such
14 business in any other state must be filed with the Department
15 by the managing broker licensee or broker, and the same fees
16 must be paid as provided in this Act for the obtaining of a
17 managing broker licensee or broker ~~broker's or broker's~~ license
18 in this State.

19 (f) Licenses previously granted under reciprocal
20 agreements with other states shall remain in force so long as
21 the Department has a reciprocal agreement with the state that
22 includes the requirements of this Section, unless that license
23 is suspended, revoked, or terminated by the Department for any
24 reason. ~~provided for suspension, revocation, or termination of~~
25 ~~a resident licensee's license.~~ Licenses granted under
26 reciprocal agreements may be renewed in the same manner as a

1 resident's license.

2 (g) Prior to the issuance of a license to a nonresident
3 managing broker licensee or broker, the managing broker
4 licensee or broker shall file with the Department a designation
5 in writing that appoints the Secretary to act as his or her
6 agent upon whom all judicial and other process or legal notices
7 directed to the managing broker licensee or broker may be
8 served. Service upon the agent so designated shall be
9 equivalent to personal service upon the licensee. Copies of the
10 appointment, certified by the Secretary, shall be deemed
11 sufficient evidence thereof and shall be admitted in evidence
12 with the same force and effect as the original thereof might be
13 admitted. In the written designation, the managing broker
14 licensee or broker shall agree that any lawful process against
15 the licensee that is served upon the agent shall be of the same
16 legal force and validity as if served upon the licensee and
17 that the authority shall continue in force so long as any
18 liability remains outstanding in this State. Upon the receipt
19 of any process or notice, the Secretary shall forthwith mail a
20 copy of the same by certified mail to the last known business
21 address of the licensee.

22 (h) Any person holding a valid license under this Section
23 shall be eligible to obtain a managing broker licensee ~~broker's~~
24 license or a broker ~~broker's~~ license without examination should
25 that person change their state of domicile to Illinois and that
26 person otherwise meets the qualifications for licensure under

1 this Act.

2 (Source: P.A. 99-227, eff. 8-3-15.)

3 (225 ILCS 454/5-70)

4 (Section scheduled to be repealed on January 1, 2020)

5 Sec. 5-70. Continuing education requirement; broker
6 associate, broker, or managing broker licensee ~~or broker~~.

7 (a) Each person who applies for renewal of his or her
8 license as a broker associate must successfully complete 10
9 hours of real estate continuing education courses recommended
10 by the Board and approved by the Department for each year of
11 the 2-year pre-renewal period. Continuing education courses
12 for broker associates shall consist of a single curriculum, to
13 be recommended by the Board and approved by the Department, and
14 must be completed in the classroom or by a live, interactive
15 webinar or online distance education course. To promote the
16 offering of uniform and consistent course content, the
17 Department may provide for the development of a single broker
18 associate course to be offered by all education providers who
19 choose to offer the broker associate continuing education
20 course. The Department may contract for the development of a
21 20-hour broker associate continuing education course with an
22 outside vendor or consultant and, if the course is developed in
23 this manner, the Department or the outside consultant shall
24 license the use of that course to all approved education
25 providers who wish to provide the course. ~~The requirements of~~

1 ~~this Section apply to all managing brokers and brokers.~~

2 (b) Except as otherwise provided in this Section, each
3 person who applies for renewal of his or her license as a
4 managing broker licensee or broker must successfully complete 6
5 hours of real estate continuing education courses recommended
6 by the Board and approved by the Department for each year of
7 the pre-renewal period. In addition, ~~beginning with the~~
8 ~~pre renewal period for managing broker licensees that begins~~
9 ~~after the effective date of this Act,~~ those licensees renewing
10 or obtaining a managing broker licensee ~~broker's~~ license must
11 successfully complete a 12-hour broker management continuing
12 education course approved by the Department each pre-renewal
13 period. The broker management continuing education course must
14 be completed in the classroom or by a live, interactive webinar
15 or online distance education course. ~~or by other interactive~~
16 ~~delivery method between the instructor and the students.~~
17 ~~Successful completion of the course shall include achieving a~~
18 ~~passing score as provided by rule on a test developed and~~
19 ~~administered in accordance with rules adopted by the~~
20 ~~Department.~~

21 (b-5) No license may be renewed except upon the successful
22 completion of the required continuing education courses ~~or~~
23 ~~their equivalent~~ or upon a waiver of those requirements for
24 good cause shown as determined by the Director ~~Secretary~~ with
25 the recommendation of the Board. The requirements of this
26 Article are applicable to all managing broker licensees,

1 ~~brokers and~~ brokers, and broker associates except those
2 managing broker licensees, ~~brokers and~~ brokers, and broker
3 associates who, during the pre-renewal period:

4 (1) serve in the armed services of the United States;

5 (2) serve as an elected State or federal official;

6 (3) serve as a full-time employee of the Department; or

7 (4) hold a license to practice law issued by the ~~are~~
8 ~~admitted to practice law pursuant to~~ Illinois Supreme Court
9 ~~rule.~~

10 (c) (Blank).

11 (d) A person receiving an initial license as a managing
12 broker licensee or broker ~~license~~ during the 90 days before the
13 renewal date shall not be required to complete the continuing
14 education courses provided for in subsection (b) of this
15 Section as a condition of initial license renewal.

16 (e) The continuing education requirement for brokers and
17 managing broker licensees ~~brokers~~ shall consist of a single
18 core curriculum and an elective curriculum, to be recommended
19 by the Board and approved by the Department in accordance with
20 this subsection. The core curriculum shall not be further
21 divided into subcategories or divisions of instruction. The
22 core curriculum shall consist of 4 hours per 2-year pre-renewal
23 period on subjects that may include, but are not limited to,
24 advertising, agency, disclosures, escrow, fair housing,
25 leasing agent management, and license law. The amount of time
26 allotted to each of these subjects shall be recommended by the

1 Board and determined by the Department. The Department, upon
2 the recommendation of the Board, shall review the core
3 curriculum every 4 years, at a minimum, and shall revise the
4 curriculum if necessary. However, the core curriculum's total
5 hourly requirement shall only be subject to change by amendment
6 of this subsection, and any change to the core curriculum shall
7 not be effective for a period of 6 months after such change is
8 made by the Department. The Department shall provide notice to
9 all approved education providers of any changes to the core
10 curriculum. When determining whether revisions of the core
11 curriculum's subjects or specific time requirements are
12 necessary, the Board shall consider recent changes in
13 applicable laws, new laws, and areas of the license law and the
14 Department policy that the Board deems appropriate, and any
15 other subject areas the Board deems timely and applicable in
16 order to prevent violations of this Act and to protect the
17 public. In establishing a recommendation to the Department
18 regarding the elective curriculum, the Board shall consider
19 subjects that cover the various aspects of the practice of real
20 estate that are covered under the scope of this Act.

21 (f) The subject areas of continuing education courses
22 recommended by the Board and approved by the Department shall
23 be meant to protect the professionalism of the industry, the
24 consumer, and the public and to prevent violations of this Act
25 and may include, without limitation, the following:

26 (1) license law and escrow;

- 1 (2) antitrust;
- 2 (3) fair housing;
- 3 (4) agency;
- 4 (5) appraisal;
- 5 (6) property management;
- 6 (7) residential brokerage;
- 7 (8) farm property management;
- 8 (9) transaction management rights and duties of
- 9 parties in a transaction ~~sellers, buyers, and brokers;~~
- 10 (10) commercial brokerage and leasing;
- 11 (11) real estate financing;
- 12 (12) disclosures;
- 13 (13) leasing agent management; ~~and~~
- 14 (14) advertising; ~~and~~
- 15 (15) broker supervision and managing broker
- 16 responsibility;
- 17 (16) professional conduct; and
- 18 (17) use of technology.

19 (g) In lieu of credit for those courses listed in
20 subsection (f) of this Section, credit may be earned for
21 serving as a licensed instructor in an approved course of
22 continuing education. The amount of credit earned for teaching
23 a course shall be the amount of continuing education credit for
24 which the course is approved for licensees taking the course.

25 (h) Credit hours may be earned for self-study programs
26 approved by the Department.

1 (i) A managing broker licensee or broker may earn credit
2 for a specific continuing education course only once during the
3 pre-renewal period.

4 (j) No more than 6 hours of continuing education credit may
5 be taken in one calendar day.

6 (k) To promote the offering of a uniform and consistent
7 course content, the Department may provide for the development
8 of a single broker management course to be offered by all
9 education providers who choose to offer the broker management
10 continuing education course. The Department may contract for
11 the development of the 12-hour broker management continuing
12 education course with an outside vendor or consultant and, if
13 the course is developed in this manner, the Department or the
14 outside consultant shall license the use of that course to all
15 approved education providers who wish to provide the course.

16 ~~(l) Except as specifically provided in this Act, continuing~~
17 ~~education credit hours may not be earned for completion of pre~~
18 ~~or post license courses. The approved 30 hour post license~~
19 ~~course for broker licensees shall satisfy the continuing~~
20 ~~education requirement for the pre-renewal period in which the~~
21 ~~course is taken. The approved 45-hour brokerage administration~~
22 ~~and management course shall satisfy the 12-hour broker~~
23 ~~management continuing education requirement for the~~
24 ~~pre-renewal period in which the course is taken.~~

25 (Source: P.A. 99-227, eff. 8-3-15; 99-728, eff. 1-1-17;
26 100-188, eff. 1-1-18.)

1 (225 ILCS 454/5-80)

2 (Section scheduled to be repealed on January 1, 2020)

3 Sec. 5-80. Evidence of compliance with continuing
4 education requirements.

5 (a) Each renewal applicant shall certify, on his or her
6 renewal application, full compliance with continuing education
7 requirements set forth in Section 5-70. The education provider
8 shall retain and submit evidence to the Department after the
9 completion of each course ~~evidence~~ of those successfully
10 completing the course as provided by rule.

11 (b) The Department may require additional evidence
12 demonstrating compliance with the continuing education
13 requirements. The renewal applicant shall retain and produce
14 the evidence of compliance upon request of the Department.

15 (Source: P.A. 100-188, eff. 1-1-18.)

16 (225 ILCS 454/10-5)

17 (Section scheduled to be repealed on January 1, 2020)

18 Sec. 10-5. Payment of compensation.

19 (a) No licensee shall pay compensation directly to a
20 licensee sponsored by another broker for the performance of
21 licensed activities. No licensee sponsored by a broker may pay
22 compensation to any licensee other than his or her sponsoring
23 broker for the performance of licensed activities unless the
24 licensee paying the compensation is a principal to the

1 transaction. However, a non-sponsoring broker may pay
2 compensation directly to a licensee sponsored by another or a
3 person who is not sponsored by a broker if the payments are
4 made pursuant to terms of an employment agreement that was
5 previously in place between a licensee and the non-sponsoring
6 broker, and the payments are for licensed activity performed by
7 that person while previously sponsored by the now
8 non-sponsoring broker.

9 (b) No licensee sponsored by a broker shall accept
10 compensation for the performance of activities under this Act
11 except from the sponsoring broker by whom the licensee is
12 sponsored, except as provided in this Section.

13 (c) (Blank). ~~Any person that is a licensed personal~~
14 ~~assistant for another licensee may only be compensated in his~~
15 ~~or her capacity as a personal assistant by the sponsoring~~
16 ~~broker for that licensed personal assistant.~~

17 (d) One sponsoring broker may pay compensation directly to
18 another sponsoring broker for the performance of licensed
19 activities.

20 (e) Notwithstanding any other provision of this Act, a
21 sponsoring broker may pay compensation to a person currently
22 licensed under the Auction License Act who is in compliance
23 with and providing services under Section 5-32 of this Act.

24 (Source: P.A. 98-553, eff. 1-1-14.)

1 (Section scheduled to be repealed on January 1, 2020)

2 Sec. 10-15. No compensation to persons in violation of Act;
3 compensation to unlicensed persons; consumer.

4 (a) No compensation may be paid to any unlicensed person in
5 exchange for the person performing licensed activities in
6 violation of this Act.

7 (b) No action or suit shall be instituted, nor recovery
8 therein be had, in any court of this State by any person for
9 compensation for any act done or service performed, the doing
10 or performing of which is prohibited by this Act to other than
11 licensed managing broker licensees ~~brokers~~, brokers, broker
12 associates, or leasing agents unless the person was duly
13 licensed hereunder as a managing broker licensee, broker,
14 broker associate, or leasing agent under this Act at the time
15 that any such act was done or service performed that would give
16 rise to a cause of action for compensation.

17 (c) A licensee may offer compensation, including, but not
18 limited to, cash, gifts, prizes, awards, coupons, merchandise,
19 services, rebates, discounts, chances to win, and ~~or~~ other
20 consideration to an unlicensed person who is or may be a party
21 to a contract to buy or sell real estate or is or may be a party
22 to a contract for the lease of real estate or to a consumer as
23 an inducement to that consumer to use the services of the
24 licensee even if the licensee and consumer do not ultimately
25 enter into a broker-client relationship if not prohibited by
26 any other law or statute and, so long as the offer complies

1 with the provisions of subdivision (6) ~~(35)~~ of subsection (a)
2 of Section 20-20 of this Act. A licensee shall not pay
3 compensation to an unlicensed person who is not or will not
4 become a party to a real estate transaction in exchange for a
5 referral of real estate services.

6 ~~(d) A licensee may offer cash, gifts, prizes, awards,~~
7 ~~coupons, merchandise, rebates or chances to win a game of~~
8 ~~chance, if not prohibited by any other law or statute, to a~~
9 ~~consumer as an inducement to that consumer to use the services~~
10 ~~of the licensee even if the licensee and consumer do not~~
11 ~~ultimately enter into a broker-client relationship so long as~~
12 ~~the offer complies with the provisions of subdivision (35) of~~
13 ~~subsection (a) of Section 20-20 of this Act.~~

14 (Source: P.A. 99-227, eff. 8-3-15; 100-831, eff. 1-1-19.)

15 (225 ILCS 454/10-20)

16 (Section scheduled to be repealed on January 1, 2020)

17 Sec. 10-20. Sponsoring broker; employment agreement.

18 (a) A licensee may perform activities as a licensee only
19 for his or her sponsoring broker. A licensee must have only one
20 sponsoring broker at any one time.

21 (b) Every broker who employs licensees or has an
22 independent contractor relationship with a licensee shall have
23 a written employment or independent contractor agreement with
24 each such licensee. The broker having this written employment
25 or independent contractor agreement with the licensee must be

1 that licensee's sponsoring broker.

2 (c) Every sponsoring broker must have a written employment
3 agreement with each licensee the broker sponsors, including any
4 personal assistant if that person is also a licensee and
5 whether or not the personal assistant performs licensed
6 activities. The agreement shall address the employment or
7 independent contractor relationship terms, including without
8 limitation supervision, duties, any compensation, and
9 termination process.

10 (d) (Blank). ~~Every sponsoring broker must have a written~~
11 ~~employment agreement with each licensed personal assistant who~~
12 ~~assists a licensee sponsored by the sponsoring broker. This~~
13 ~~requirement applies to all licensed personal assistants~~
14 ~~whether or not they perform licensed activities in their~~
15 ~~capacity as a personal assistant. The agreement shall address~~
16 ~~the employment or independent contractor relationship terms,~~
17 ~~including without limitation supervision, duties,~~
18 ~~compensation, and termination.~~

19 (e) Notwithstanding the fact that a sponsoring broker has
20 an employment agreement or independent contractor agreement
21 with a licensee, a sponsoring broker may pay compensation
22 directly to a business entity ~~solely~~ owned by that licensee
23 ~~that has been formed for the purpose of receiving compensation~~
24 ~~earned by the licensee~~. A business entity that receives
25 compensation from a sponsoring broker as provided for ~~formed~~
26 ~~for the purpose stated in this subsection (e)~~ shall not be

1 ~~required to be~~ licensed under this Act and must either be owned
2 solely by the licensee or by the licensee together with the
3 licensee's spouse, but only if the spouse and licensee are both
4 licensed and sponsored by the same sponsoring broker or the
5 spouse is not also licensed ~~so long as the person that is the~~
6 ~~sole owner of the business entity is licensed.~~

7 (Source: P.A. 100-831, eff. 1-1-19.)

8 (225 ILCS 454/10-30)

9 (Section scheduled to be repealed on January 1, 2020)

10 Sec. 10-30. Advertising.

11 (a) No advertising, whether in print, via the Internet, or
12 through any other media, shall be fraudulent, deceptive,
13 inherently misleading, or proven to be misleading in practice.
14 ~~Advertising shall be considered misleading or untruthful if,~~
15 ~~when taken as a whole, there is a distinct and reasonable~~
16 ~~possibility that it will be misunderstood or will deceive the~~
17 ~~ordinary purchaser, seller, lessee, lessor, or owner.~~
18 ~~Advertising shall contain all information necessary to~~
19 ~~communicate the information contained therein to the public in~~
20 ~~an accurate, direct, and readily comprehensible manner.~~

21 (1) Advertising shall be considered misleading or
22 untruthful if, when taken as a whole, there is a distinct
23 and reasonable possibility that it will be misunderstood or
24 will deceive the ordinary consumer. Advertising shall
25 contain all information necessary to communicate the

1 information contained therein to the public in an accurate,
2 direct, and readily comprehensible manner.

3 (2) Team names that are used in the sponsoring broker's
4 business must be registered by the sponsoring broker on the
5 Department's online information portal by submitting the
6 name of the team, the name of the designated team leader,
7 and the names of the licensees associated with the team.
8 Team names may not contain inherently misleading terms,
9 such as "company", "realty", "real estate", "agency",
10 "associates", "brokers", "properties", or "property". Only
11 team names registered on the Department's online
12 information portal may be used in advertising.

13 (b) No blind advertisements may be used by any licensee, in
14 any media, except as provided for in this Section.

15 (c) A licensee shall disclose, in writing, to all parties
16 in a transaction his or her status as a licensee and any and
17 all interest the licensee has or may have in the real estate
18 constituting the subject matter thereof, directly or
19 indirectly, according to the following guidelines:

20 (1) On broker yard signs or in broker advertisements,
21 no disclosure of ownership is necessary. However, the
22 ownership shall be indicated on any property data form and
23 disclosed to persons responding to any advertisement or any
24 sign. The term "broker owned" or "agent owned" is
25 sufficient disclosure.

26 (2) A sponsored or inoperative licensee selling or

1 leasing property, owned solely by the sponsored or
2 inoperative licensee, without utilizing brokerage services
3 of their sponsoring broker or any other licensee, may
4 advertise "By Owner". For purposes of this Section,
5 property is "solely owned" by a sponsored or inoperative
6 licensee if he or she (i) has a 100% ownership interest
7 alone, (ii) has ownership as a joint tenant or tenant by
8 the entirety, or (iii) holds a 100% beneficial interest in
9 a land trust. Sponsored or inoperative licensees selling or
10 leasing "By Owner" shall comply with the following if
11 advertising by owner:

12 (A) On "By Owner" yard signs, the sponsored or
13 inoperative licensee shall indicate "broker owned" or
14 "agent owned." "By Owner" advertisements used in any
15 medium of advertising shall include the term "broker
16 owned" or "agent owned."

17 (B) If a sponsored or inoperative licensee runs
18 advertisements, for the purpose of purchasing or
19 leasing real estate, he or she shall disclose in the
20 advertisements his or her status as a licensee.

21 (C) A sponsored or inoperative licensee shall not
22 use the sponsoring broker's name ~~or the sponsoring~~
23 ~~broker's company name~~ in connection with the sale,
24 lease, or advertisement of the property nor utilize the
25 sponsoring broker's or company's name in connection
26 with the sale, lease, or advertising of the property in

1 a manner likely to create confusion among the public as
2 to whether or not the services of a real estate company
3 are being utilized or whether or not a real estate
4 company has an ownership interest in the property.

5 (d) All advertising ~~A sponsored licensee may not advertise~~
6 ~~under his or her own name. Advertising in any media shall be~~
7 ~~under the direct supervision of the sponsoring broker and~~ ~~or~~
8 named managing broker. Except as provided for in this Section,
9 all advertising must include and in the sponsoring broker's
10 business name. In ~~, which in~~ the case of a franchise, all
11 advertising shall include the franchise affiliation as well as
12 the name of the individual firm. Nothing in this Act shall
13 require the sponsoring broker to include the name of one of its
14 sponsored licensees on the sponsoring broker's signs or other
15 general advertising. This provision does not apply under the
16 following circumstances:

17 (1) When a licensee enters into a brokerage agreement
18 with another licensed broker relating to ~~his or her own~~
19 ~~real estate, or~~ real estate in which he or she has an
20 ownership interest, ~~with another licensed broker;~~ or

21 (2) When a licensee is selling or leasing his or her
22 own real estate or buying or leasing real estate for
23 himself or herself, after providing the appropriate
24 written disclosure of his or her ownership interest as
25 required in paragraph (2) of subsection (c) of this
26 Section.

1 (e) (Blank). ~~No licensee shall list his or her name under~~
2 ~~the heading or title "Real Estate" in the telephone directory~~
3 ~~or otherwise advertise in his or her own name to the general~~
4 ~~public through any medium of advertising as being in the real~~
5 ~~estate business without listing his or her sponsoring broker's~~
6 ~~business name.~~

7 (f) Sponsoring brokers may advertise in the name of a team,
8 without the sponsoring broker's name, only if the sponsoring
9 broker properly registers the team name with the Department as
10 provided for in paragraph (2) of subsection (a) and registers
11 the team name as an assumed name of the sponsoring broker under
12 the Assumed Business Name Act. ~~The sponsoring broker's business~~
13 ~~name and the name of the licensee must appear in all~~
14 ~~advertisements, including business cards.~~

15 (f-5) In advertisements that include the sponsoring
16 broker's business name and a team name, registered as provided
17 for in paragraph (2) of subsection (a), the sponsoring broker's
18 business name must be at least equal in size or larger than the
19 team name ~~Nothing in this Act shall be construed to require~~
20 ~~specific print size as between the broker's business name and~~
21 ~~the name of the licensee.~~

22 (g) Those individuals licensed as a managing broker
23 licensee and designated with the Department as a named managing
24 broker by their sponsoring broker shall identify themselves to
25 the public in advertising, except on "For Sale" or similar
26 signs, as a managing broker. No other individuals holding a

1 managing broker licensee ~~broker's~~ license may hold themselves
2 out to the public or other licensees as a named managing
3 broker. Managing broker licensees that are not designated named
4 managing brokers may identify themselves to the public in
5 advertising as managing broker licensees or may use the
6 abbreviation "MBL" to represent such designation.

7 (h) Licensees intending to sell or share consumer
8 information gathered from or through the Internet or other
9 electronic communication media shall disclose that intention
10 to consumers in a timely and readily apparent manner.

11 (Source: P.A. 96-856, eff. 12-31-09; 97-1002, eff. 8-17-12.)

12 (225 ILCS 454/10-45)

13 (Section scheduled to be repealed on January 1, 2020)

14 Sec. 10-45. Broker price opinions and comparative market
15 analyses.

16 (a) A broker price opinion or comparative market analysis
17 may be prepared or provided by a real estate broker associate,
18 broker, or managing broker licensee for any of the following:

19 (1) an existing or potential buyer or seller of an
20 interest in real estate;

21 (2) an existing or potential lessor or lessee of an
22 interest in real estate;

23 (3) a third party making decisions or performing due
24 diligence related to the potential listing, offering,
25 sale, option, lease, or acquisition price of an interest in

1 real estate; or

2 (4) an existing or potential lienholder or other third
3 party for any purpose other than as the primary basis to
4 determine the market value of an interest in real estate
5 for the purpose of a mortgage loan origination by a
6 financial institution secured by such real estate.

7 (b) A broker price opinion or comparative market analysis
8 shall be in writing either on paper or electronically and shall
9 include the following provisions:

10 (1) a statement of the intended purpose of the broker
11 price opinion or comparative market analysis;

12 (2) a brief description of the interest in real estate
13 that is the subject of the broker price opinion or
14 comparative market analysis;

15 (3) a brief description of the methodology used to
16 develop the broker price opinion or comparative market
17 analysis;

18 (4) any assumptions or limiting conditions;

19 (5) a disclosure of any existing or contemplated
20 interest of the broker associate, broker, or managing
21 broker licensee in the interest in real estate that is the
22 subject of the broker price opinion or comparative market
23 analysis;

24 (6) the name, license number, and signature of the
25 broker associate, broker, or managing broker licensee that
26 developed the broker price opinion or comparative market

1 analysis;

2 (7) a statement in substantially the following form:

3 "This is a broker price opinion/comparative market
4 analysis, not an appraisal of the market value of the real
5 estate, and was prepared by a licensed real estate broker
6 associate, broker, or managing broker licensee, not by a
7 State certified real estate appraiser."; and

8 (8) such other items as the broker associate, broker,
9 or managing broker licensee may deem appropriate.

10 (Source: P.A. 98-1109, eff. 1-1-15.)

11 (225 ILCS 454/10-50 new)

12 Sec. 10-50. Guaranteed sales plans.

13 (a) As used in this Section, "guaranteed sales plan" means
14 a real estate purchase or sales plan whereby a person enters
15 into one or more conditional or unconditional written contracts
16 with a seller, one of which is a brokerage agreement and
17 wherein the person agrees to purchase the seller's property
18 within a specified period of time, at a specific price, in the
19 event the property is not sold in accordance with the terms of
20 the brokerage agreement entered into between the parties.

21 (b) A person who offers a guaranteed sales plan to
22 consumers is engaged in licensed activity under this Act and is
23 required to have a license.

24 (c) A licensee that offers a guaranteed sales plan shall
25 provide the details, including the purchase price and

1 conditions of the plan, in writing to the party to whom the
2 plan is offered before entering into the brokerage agreement.

3 (d) A licensee offering a guaranteed sales plan shall
4 provide to the party to whom the plan is offered, before the
5 execution of any contract, evidence that the licensee has
6 sufficient financial resources to satisfy the commitment to
7 purchase undertaken by the licensee in the plan.

8 (e) A licensee offering a guaranteed sales plan shall
9 undertake to market the property of the seller subject to the
10 plan in the same manner in which the broker would market any
11 other property, unless the agreement with the seller provides
12 otherwise.

13 (f) The licensee may not purchase a seller's property until
14 the period for offering the property for sale has ended
15 according to its terms or is otherwise properly terminated.

16 (g) A licensee who fails to perform on a guaranteed sales
17 plan in strict accordance with its terms shall be subject to
18 all the penalties provided in this Act for violations of this
19 Act and, in addition, shall be subject to a civil fine payable
20 to the party injured by the default in an amount of up to
21 \$25,000.

22 (225 ILCS 454/10-55 new)

23 Sec. 10-55. Named managing broker responsibility and
24 supervision.

25 (a) A named managing broker shall be responsible for the

1 supervision of all licensees associated with a named managing
2 broker's office, including any branch office. A named managing
3 broker's responsibilities include implementation of company
4 policies, the training of licensees and other employees on the
5 company's policies, as well as on aspects of relevant portions
6 of this Act, providing assistance to all licensees in real
7 estate transactions, and supervising all special accounts of
8 the company.

9 (b) For broker associates, a named managing broker's
10 responsibilities shall also include directly handling all
11 earnest money and escrows for transactions in which the broker
12 associate is the designated agent, the supervision of all
13 contract negotiations involving parties to a transaction in
14 which a broker associate is a designated agent, and the
15 approval of all advertisements involving a broker associate.
16 Broker associates shall have no authority to bind the
17 sponsoring broker.

18 (c) The named managing broker's duties and
19 responsibilities under subsection (b) may be delegated only to
20 another managing broker licensee that is sponsored by the same
21 sponsoring broker as the named managing broker.

22 (d) The named managing broker's failure to provide an
23 appropriate written company policy or failure to properly
24 supervise shall be cause for discipline, including suspension
25 and revocation, of the named managing broker license.

1 (225 ILCS 454/10-60 new)

2 Sec. 10-60. Statewide real estate contract form.

3 (a) The Department may create a commission, the sole
4 purpose of which is to study the feasibility of creating,
5 implementing, and enforcing a mandatory, statewide real estate
6 purchase contract form. The commission shall evaluate the
7 costs, benefits, advantages, and disadvantages of using a
8 single real estate purchase contract form throughout the State
9 of Illinois. The commission shall be composed of the Director
10 or his or her designee, who shall serve as chairperson of the
11 commission, and no less than 5 and no more than 10 members
12 appointed by the Secretary. Of the appointed members of the
13 commission, at least one must be the chief executive officer of
14 a statewide organization representing realtors, or his or her
15 designee, one must be a representative of the multiple listing
16 service that services the Chicago area, and one must be a
17 representative of either a statewide organization representing
18 lawyers or a statewide organization representing real estate
19 lawyers. At least 2 members of the commission shall be actively
20 practicing managing broker licensees.

21 (b) The commission shall prepare and deliver a report of
22 its findings and recommendation to the Department on the
23 feasibility of creating, implementing, and enforcing a
24 mandatory statewide real estate purchase contract form. If the
25 commission recommends adopting a statewide real estate
26 purchase contract form, the report shall contain the

1 recommended statewide purchase contract form, including any
2 addenda that are recommended.

3 (c) Nothing in this Section shall be construed to authorize
4 the Department to create, implement, or enforce the use of a
5 mandatory, statewide real estate contract form without further
6 legislative authorization.

7 (225 ILCS 454/15-5)

8 (Section scheduled to be repealed on January 1, 2020)

9 Sec. 15-5. Legislative intent.

10 (a) The General Assembly finds that application of the
11 common law of agency to the relationships among licensees under
12 this Act ~~managing brokers and brokers~~ and consumers of real
13 estate brokerage services has resulted in misunderstandings
14 and consequences that have been contrary to the best interests
15 of the public. The General Assembly further finds that the real
16 estate brokerage industry has a significant impact upon the
17 economy of the State of Illinois and that it is in the best
18 interest of the public to provide codification of the
19 relationships between licensees under this Act ~~managing~~
20 ~~brokers and brokers~~ and consumers of real estate brokerage
21 services in order to prevent detrimental misunderstandings and
22 misinterpretations of the relationships by consumers, ~~managing~~
23 ~~brokers,~~ and licensees ~~brokers~~ and thus promote and provide
24 stability in the real estate market. This Article 15 is enacted
25 to govern the relationships between consumers of real estate

1 brokerage services and licensees under this Act ~~managing~~
2 ~~brokers and brokers~~ to the extent not governed by an individual
3 written agreement between a sponsoring broker and a consumer,
4 providing that there is a relationship other than designated
5 agency. This Article 15 applies to the exclusion of the common
6 law concepts of principal and agent and to the fiduciary
7 duties, which have been applied to managing broker licensees
8 ~~brokers~~, brokers, broker associates, leasing agents, and real
9 estate brokerage services.

10 (b) The General Assembly further finds that this Article 15
11 is not intended to prescribe or affect contractual
12 relationships between managing brokers and brokers and the
13 broker's affiliated licensees.

14 (c) This Article 15 may serve as a basis for private rights
15 of action and defenses by sellers, buyers, landlords, tenants,
16 and licensees under this Act ~~managing brokers, and brokers~~. The
17 private rights of action, however, do not extend to the
18 provisions of any other Articles of this Act.

19 (Source: P.A. 99-227, eff. 8-3-15.)

20 (225 ILCS 454/15-10)

21 (Section scheduled to be repealed on January 1, 2020)

22 Sec. 15-10. Relationships between licensees and consumers.
23 Licensees shall be considered to be representing the consumer
24 they are working with as a designated agent for the consumer
25 unless there is a written agreement between the sponsoring

1 broker and the consumer providing that there is a different
2 relationship.‡

3 ~~(1) there is a written agreement between the sponsoring~~
4 ~~broker and the consumer providing that there is a different~~
5 ~~relationship; or~~

6 ~~(2) the licensee is performing only ministerial acts on~~
7 ~~behalf of the consumer.~~

8 (Source: P.A. 91-245, eff. 12-31-99.)

9 (225 ILCS 454/15-25)

10 (Section scheduled to be repealed on January 1, 2020)

11 Sec. 15-25. Licensee's relationship with customers.

12 (a) Licensees shall treat all customers honestly and shall
13 not negligently or knowingly give them false information. A
14 licensee engaged by a seller client shall timely disclose to
15 customers who are prospective buyers all latent material
16 adverse facts pertaining to the physical condition of the
17 property that are actually known by the licensee and that could
18 not be discovered by a reasonably diligent inspection of the
19 property by the customer. A licensee shall not be liable to a
20 customer for providing false information to the customer if the
21 false information was provided to the licensee by the
22 licensee's client and the licensee did not have actual
23 knowledge that the information was false. No cause of action
24 shall arise on behalf of any person against a licensee for
25 revealing information in compliance with this Section.

1 (b) A licensee representing a client in a real estate
2 transaction may provide clerical assistance to a customer ~~by~~
3 ~~performing ministerial acts~~. Performing clerical assistance
4 ~~those ministerial acts~~ shall not be construed in a manner that
5 would violate the brokerage agreement with the client nor, ~~and~~
6 ~~performing those ministerial acts for the customer shall not be~~
7 ~~construed~~ in a manner as to form a brokerage agreement with the
8 customer.

9 (Source: P.A. 91-245, eff. 12-31-99.)

10 (225 ILCS 454/15-45)

11 (Section scheduled to be repealed on January 1, 2020)

12 Sec. 15-45. Disclosed dual ~~Dual~~ agency.

13 (a) Disclosed dual agency is permitted. A licensee shall
14 not serve as a dual agent in any transaction when the licensee,
15 or an entity in which the licensee has or will have any
16 ownership interest, is a party to the transaction and a ~~A~~
17 licensee may act as a disclosed dual agent only with the
18 informed written consent of all clients. Informed written
19 consent shall be presumed to have been given by any client who
20 signs a document that includes the following:

21 "The undersigned (insert name(s)), ("Licensee"), may
22 undertake a dual representation (represent both the seller
23 or landlord and the buyer or tenant) for the sale or lease
24 of property. The undersigned acknowledge they were
25 informed of the possibility of this type of representation.

1 Before signing this document please read the following:
2 Representing more than one party to a transaction presents
3 a conflict of interest since both clients may rely upon
4 Licensee's advice and the client's respective interests
5 may be adverse to each other. Licensee will undertake this
6 representation only with the written consent of ALL clients
7 in the transaction. Any agreement between the clients as to
8 a final contract price and other terms is a result of
9 negotiations between the clients acting in their own best
10 interests and on their own behalf. You acknowledge that
11 Licensee has explained the implications of dual
12 representation, including the risks involved, and
13 understand that you have been advised to seek independent
14 advice from your advisors or attorneys before signing any
15 documents in this transaction.

16 WHAT A LICENSEE CAN DO FOR CLIENTS

17 WHEN ACTING AS A DISCLOSED DUAL AGENT

- 18 1. Treat all clients honestly.
- 19 2. Provide information about the property to the buyer or
20 tenant.
- 21 3. Disclose all latent material defects in the property
22 that are known to the Licensee.
- 23 4. Disclose financial qualification of the buyer or tenant
24 to the seller or landlord.
- 25 5. Explain real estate terms.
- 26 6. Help the buyer or tenant to arrange for property

1 inspections.

2 7. Explain closing costs and procedures.

3 8. Help the buyer compare financing alternatives.

4 9. Provide information about comparable properties that
5 have sold so both clients may make educated decisions on
6 what price to accept or offer.

7 WHAT LICENSEE CANNOT DISCLOSE TO CLIENTS WHEN

8 ACTING AS A DISCLOSED DUAL AGENT

9 1. Confidential information that Licensee may know about a
10 client, without that client's permission.

11 2. The price or terms the seller or landlord will take
12 other than the listing price without permission of the
13 seller or landlord.

14 3. The price or terms the buyer or tenant is willing to pay
15 without permission of the buyer or tenant.

16 4. A recommended or suggested price or terms the buyer or
17 tenant should offer.

18 5. A recommended or suggested price or terms the seller or
19 landlord should counter with or accept.

20 If either client is uncomfortable with this disclosure
21 and dual representation, please let Licensee know. You are
22 not required to sign this document unless you want to allow
23 Licensee to proceed as a Disclosed Dual Agent in this
24 transaction. By signing below, you acknowledge that you
25 have read and understand this form and voluntarily consent
26 to Licensee acting as a Disclosed Dual Agent (that is, to

1 represent BOTH the seller or landlord and the buyer or
2 tenant) should that become necessary."

3 (b) The disclosed dual agency disclosure form provided for
4 in subsection (a) of this Section must be presented by a
5 licensee, who offers dual representation, to the client at the
6 time the brokerage agreement is entered into and may be signed
7 by the client at that time or at any time before the licensee
8 acts as a disclosed dual agent as to the client.

9 (c) A licensee acting in a disclosed dual agency capacity
10 in a transaction must obtain a written confirmation from the
11 licensee's clients of their prior consent for the licensee to
12 act as a disclosed dual agent in the transaction. This
13 confirmation should be obtained at the time the clients are
14 executing any offer or contract to purchase or lease in a
15 transaction in which the licensee is acting as a disclosed dual
16 agent. This confirmation may be included in another document,
17 such as a contract to purchase, in which case the client must
18 not only sign the document but also initial the confirmation of
19 dual disclosed agency provision. That confirmation must state,
20 at a minimum, the following:

21 "The undersigned confirm that they have previously
22 consented to (insert name(s)), ("Licensee"), acting as a
23 Disclosed Dual Agent in providing brokerage services on
24 their behalf and specifically consent to Licensee acting as
25 a Disclosed Dual Agent in regard to the transaction
26 referred to in this document."

1 (d) No cause of action shall arise on behalf of any person
2 against a disclosed dual agent for making disclosures allowed
3 or required by this Article, and the disclosed dual agent does
4 not terminate any agency relationship by making the allowed or
5 required disclosures.

6 (e) In the case of disclosed dual agency, each client and
7 the licensee possess only actual knowledge and information.
8 There shall be no imputation of knowledge or information among
9 or between clients, brokers, or their affiliated licensees.

10 (f) In any transaction, a licensee may without liability
11 withdraw from representing a client who has not consented to a
12 disclosed dual agency. The withdrawal shall not prejudice the
13 ability of the licensee to continue to represent the other
14 client in the transaction or limit the licensee from
15 representing the client in other transactions. When a
16 withdrawal as contemplated in this subsection (f) occurs, the
17 licensee shall not receive a referral fee for referring a
18 client to another licensee unless written disclosure is made to
19 both the withdrawing client and the client that continues to be
20 represented by the licensee.

21 (Source: P.A. 96-856, eff. 12-31-09.)

22 (225 ILCS 454/15-50)

23 (Section scheduled to be repealed on January 1, 2020)

24 Sec. 15-50. Designated agency.

25 (a) A sponsoring broker entering into an agreement with any

1 person for the listing of property or for the purpose of
2 representing any person in the buying, selling, exchanging,
3 renting, or leasing of real estate shall ~~may~~ specifically
4 designate those licensees employed by or affiliated with the
5 sponsoring broker who will be acting as legal agents of that
6 person to the exclusion of all other licensees employed by or
7 affiliated with the sponsoring broker. A sponsoring broker
8 entering into an agreement under the provisions of this Section
9 shall not be considered to be acting for more than one party in
10 a transaction if the licensees specifically designated as legal
11 agents of a person are not representing more than one party in
12 a transaction.

13 (b) A sponsoring broker designating affiliated licensees
14 to act as agents of clients shall take ordinary and necessary
15 care to protect confidential information disclosed by a client
16 to his or her designated agent.

17 (c) A designated agent may disclose to his or her
18 sponsoring broker or persons specified by the sponsoring broker
19 confidential information of a client for the purpose of seeking
20 advice or assistance for the benefit of the client in regard to
21 a possible transaction. Confidential information shall not be
22 disclosed by the sponsoring broker or other specified
23 representative of the sponsoring broker unless otherwise
24 required by this Act or requested or permitted by the client
25 who originally disclosed the confidential information.

26 (Source: P.A. 91-245, eff. 12-31-99.)

1 (225 ILCS 454/15-65)

2 (Section scheduled to be repealed on January 1, 2020)

3 Sec. 15-65. Regulatory enforcement. Nothing contained in
4 this Article limits the Department in its regulation of
5 licensees under other Articles of this Act and the substantive
6 rules adopted by the Department. The Department, with the
7 advice of the Board and as further provided for in Section
8 25-13, is authorized to promulgate any rules that may be
9 necessary for the implementation and enforcement of this
10 Article 15.

11 (Source: P.A. 96-856, eff. 12-31-09.)

12 (225 ILCS 454/15-75)

13 (Section scheduled to be repealed on January 1, 2020)

14 Sec. 15-75. Exclusive brokerage agreements. All exclusive
15 brokerage agreements must be in writing and specify that the
16 sponsoring broker, through one or more sponsored licensees,
17 must provide, at a minimum, the following services:

18 (1) accept delivery of and present to the client offers
19 and counteroffers to buy, sell, or lease the client's
20 property or the property the client seeks to purchase or
21 lease;

22 (2) assist the client in developing, communicating,
23 negotiating, and presenting offers, counteroffers, and
24 notices that relate to the offers and counteroffers until a

1 lease or purchase agreement is signed and all contingencies
2 are satisfied or waived; and

3 (3) answer the client's questions relating to the
4 offers, counteroffers, notices, and contingencies.

5 (Source: P.A. 93-957, eff. 8-19-04.)

6 (225 ILCS 454/20-10)

7 (Section scheduled to be repealed on January 1, 2020)

8 Sec. 20-10. Unlicensed practice; penalties ~~civil penalty~~.

9 (a) Any person who practices, offers to practice, attempts
10 to practice, or holds oneself out to practice as a managing
11 broker licensee, broker, broker associate, or leasing agent
12 without being licensed under this Act shall, in addition to any
13 other penalty provided by law, pay a civil penalty to the
14 Department in an amount not to exceed \$25,000 for each offense
15 as determined by the Department. The civil penalty shall be
16 assessed by the Department after a hearing is held in
17 accordance with the provisions set forth in this Act regarding
18 the provision of a hearing for the discipline of a license.

19 (b) The Department has the authority and power to
20 investigate any and all unlicensed activity.

21 (c) The civil penalty shall be paid within 60 days after
22 the effective date of the order imposing the civil penalty. The
23 order shall constitute a judgment and may be filed and
24 execution had thereon in the same manner from any court of
25 record.

1 (d) Any person who is found working or acting as a managing
2 broker licensee, broker, broker associate, or leasing agent or
3 holding himself or herself out as a licensed sponsoring broker,
4 managing broker licensee, broker, broker associate, or leasing
5 agent without being licensed is guilty of a Class A misdemeanor
6 and on conviction of a second or subsequent offense the
7 violator shall be guilty of a Class 4 felony.

8 (Source: P.A. 99-227, eff. 8-3-15.)

9 (225 ILCS 454/20-20)

10 (Section scheduled to be repealed on January 1, 2020)

11 Sec. 20-20. Grounds for discipline.

12 (a) The Department may issue a citation and impose a fine
13 upon any licensee of \$500 upon a finding by the Department of
14 any of the following:

15 (1) Practice under this Act as a licensee in a retail
16 sales establishment from an office, desk, or space that is
17 not separated from the main retail business by a separate
18 and distinct area within the establishment.

19 (2) Advertising that is inaccurate, misleading, or
20 contrary to this Act.

21 (3) Employing any person on a purely temporary or
22 single-deal basis as a means of evading the law regarding
23 payment of commission to non-licensees on some
24 contemplated transactions.

25 (4) Advertising by means of a blind advertisement,

1 except as otherwise permitted in Section 10-30.

2 (5) Negotiating a sale, exchange, or lease of real
3 estate directly with any person if the licensee knows that
4 the person has an exclusive brokerage agreement with
5 another broker, unless specifically authorized by that
6 broker.

7 (6) Advertising or offering merchandise or services as
8 free if any conditions or obligations necessary for
9 receiving the merchandise or services are not disclosed in
10 the same advertisement or offer. These conditions or
11 obligations include, without limitation, the requirement
12 that the recipient attend a promotional activity or visit a
13 real estate site. As used in this subdivision (6), "free"
14 includes terms such as "award", "prize", "no charge", "free
15 of charge", and "without charge", and similar words or
16 phrases that reasonably lead a person to believe that he or
17 she may receive or has been selected to receive something
18 of value, without any conditions or obligations on the part
19 of the recipient.

20 (7) Failing to provide the minimum services required by
21 Section 15-75 when acting under an exclusive brokerage
22 agreement.

23 (8) Enabling, aiding, or abetting an auctioneer, as
24 defined in the Auction License Act, to conduct a real
25 estate auction in a manner that is in violation of this
26 Act.

1 (a-5) ~~(a)~~ The Department may refuse to issue or renew a
2 license, may place on probation, suspend, or revoke any
3 license, reprimand, or take any other disciplinary or
4 non-disciplinary action as the Department may deem proper and
5 impose a fine not to exceed \$25,000 upon any licensee or
6 applicant under this Act or any person who holds himself or
7 herself out as an applicant or licensee or against a licensee
8 in handling his or her own property, whether held by deed,
9 option, or otherwise, for any repeated or serious violation or
10 combination of violations of those causes in subsection (a) or
11 for any one or any combination of the following causes:

12 (1) Fraud or misrepresentation in applying for, or
13 procuring, a license under this Act or in connection with
14 applying for renewal of a license under this Act.

15 (2) The conviction of or plea of guilty or plea of nolo
16 contendere to a felony or misdemeanor in this State or any
17 other jurisdiction; or the entry of an administrative
18 sanction by a government agency in this State or any other
19 jurisdiction. Action taken under this paragraph (2) for a
20 misdemeanor or an administrative sanction is limited to a
21 misdemeanor or administrative sanction that has as an
22 essential element dishonesty or fraud or involves larceny,
23 embezzlement, or obtaining money, property, or credit by
24 false pretenses or by means of a confidence game.

25 (3) Inability to practice the profession with
26 reasonable judgment, skill, or safety as a result of a

1 physical illness, including, but not limited to,
2 deterioration through the aging process or loss of motor
3 skill, or a mental illness or disability.

4 ~~(4) Practice under this Act as a licensee in a retail~~
5 ~~sales establishment from an office, desk, or space that is~~
6 ~~not separated from the main retail business by a separate~~
7 ~~and distinct area within the establishment.~~

8 (4) ~~(5)~~ Having been disciplined by another state, the
9 District of Columbia, a territory, a foreign nation, or a
10 governmental agency authorized to impose discipline if at
11 least one of the grounds for that discipline is the same as
12 or the equivalent of one of the grounds for which a
13 licensee may be disciplined under this Act. A certified
14 copy of the record of the action by the other state or
15 jurisdiction shall be prima facie evidence thereof.

16 (5) ~~(6)~~ Engaging in the practice of real estate
17 brokerage without a license or after the licensee's license
18 or temporary permit was expired or while the license was
19 inoperative.

20 (6) ~~(7)~~ Cheating on or attempting to subvert the Real
21 Estate License Exam or a continuing education course or
22 exam.

23 (7) ~~(8)~~ Aiding or abetting an applicant to subvert or
24 cheat on the Real Estate License Exam or a continuing
25 education course or exam administered pursuant to this Act.

26 ~~(9) Advertising that is inaccurate, misleading, or~~

1 ~~contrary to the provisions of the Act.~~

2 (8) ~~(10)~~ Making any substantial misrepresentation or
3 untruthful advertising.

4 (9) ~~(11)~~ Making any false promises of a character
5 likely to influence, persuade, or induce.

6 (10) ~~(12)~~ Pursuing a continued and flagrant course of
7 misrepresentation or the making of false promises through
8 licensees, employees, agents, advertising, or otherwise.

9 (11) ~~(13)~~ Any misleading or untruthful advertising, or
10 using any trade name or insignia of membership in any real
11 estate organization of which the licensee is not a member.

12 (12) ~~(14)~~ Acting for more than one party in a
13 transaction without providing written notice to all
14 parties for whom the licensee acts.

15 (13) ~~(15)~~ Representing or attempting to represent a
16 broker other than the sponsoring broker.

17 (14) ~~(16)~~ Failure to account for or to remit any moneys
18 or documents coming into his or her possession that belong
19 to others.

20 (15) ~~(17)~~ Failure to maintain and deposit in a special
21 account, separate and apart from personal and other
22 business accounts, all escrow moneys belonging to others
23 entrusted to a licensee while acting as a broker, escrow
24 agent, or temporary custodian of the funds of others or
25 failure to maintain all escrow moneys on deposit in the
26 account until the transactions are consummated or

1 terminated, except to the extent that the moneys, or any
2 part thereof, shall be:

3 (A) disbursed prior to the consummation or
4 termination (i) in accordance with the written
5 direction of the principals to the transaction or their
6 duly authorized agents, (ii) in accordance with
7 directions providing for the release, payment, or
8 distribution of escrow moneys contained in any written
9 contract signed by the principals to the transaction or
10 their duly authorized agents, or (iii) pursuant to an
11 order of a court of competent jurisdiction; or

12 (B) deemed abandoned and transferred to the Office
13 of the State Treasurer to be handled as unclaimed
14 property pursuant to the Revised Uniform Unclaimed
15 Property Act. Escrow moneys may be deemed abandoned
16 under this subparagraph (B) only: (i) in the absence of
17 disbursement under subparagraph (A); (ii) in the
18 absence of notice of the filing of any claim in a court
19 of competent jurisdiction; and (iii) if 6 months have
20 elapsed after the receipt of a written demand for the
21 escrow moneys from one of the principals to the
22 transaction or the principal's duly authorized agent.

23 The account shall be noninterest bearing, unless the
24 character of the deposit is such that payment of interest
25 thereon is otherwise required by law or unless the
26 principals to the transaction specifically require, in

1 writing, that the deposit be placed in an interest bearing
2 account.

3 (16) ~~(18)~~ Failure to make available to the Department
4 all escrow records and related documents maintained in
5 connection with the practice of real estate within 24 hours
6 of a request for those documents by Department personnel.

7 (17) ~~(19)~~ Failing to furnish copies upon request of
8 documents relating to a real estate transaction to a party
9 who has executed that document.

10 ~~(20) Failure of a sponsoring broker to timely provide~~
11 ~~information, sponsor cards, or termination of licenses to~~
12 ~~the Department.~~

13 (18) ~~(21)~~ Engaging in dishonorable, unethical, or
14 unprofessional conduct of a character likely to deceive,
15 defraud, or harm the public.

16 (19) ~~(22)~~ Commingling the money or property of others
17 with his or her own money or property.

18 ~~(23) Employing any person on a purely temporary or~~
19 ~~single deal basis as a means of evading the law regarding~~
20 ~~payment of commission to nonlicensees on some contemplated~~
21 ~~transactions.~~

22 (20) ~~(24)~~ Permitting the use of his or her license as a
23 broker to enable a leasing agent or unlicensed person to
24 operate a real estate business without actual
25 participation therein and control thereof by the broker.

26 (21) ~~(25)~~ Any other conduct, whether of the same or a

1 different character from that specified in this Section,
2 that constitutes dishonest dealing.

3 (22) ~~(26)~~ Displaying a "for rent" or "for sale" sign on
4 any property without the written consent of an owner or his
5 or her duly authorized agent or advertising by any means
6 that any property is for sale or for rent without the
7 written consent of the owner or his or her authorized
8 agent.

9 (23) ~~(27)~~ Failing to provide information requested by
10 the Department, or otherwise respond to that request,
11 within 30 days of the request.

12 ~~(28) Advertising by means of a blind advertisement,~~
13 ~~except as otherwise permitted in Section 10-30 of this Act.~~

14 (24) ~~(29)~~ Offering guaranteed sales plans, except as
15 provided in Section 10-50. ~~as defined in clause (A) of this~~
16 ~~subdivision (29), except to the extent hereinafter set~~
17 ~~forth.~~

18 ~~(A) A "guaranteed sales plan" is any real estate~~
19 ~~purchase or sales plan whereby a licensee enters into a~~
20 ~~conditional or unconditional written contract with a~~
21 ~~seller, prior to entering into a brokerage agreement~~
22 ~~with the seller, by the terms of which a licensee~~
23 ~~agrees to purchase a property of the seller within a~~
24 ~~specified period of time at a specific price in the~~
25 ~~event the property is not sold in accordance with the~~
26 ~~terms of a brokerage agreement to be entered into~~

1 ~~between the sponsoring broker and the seller.~~

2 ~~(B) A licensee offering a guaranteed sales plan~~
3 ~~shall provide the details and conditions of the plan in~~
4 ~~writing to the party to whom the plan is offered.~~

5 ~~(C) A licensee offering a guaranteed sales plan~~
6 ~~shall provide to the party to whom the plan is offered~~
7 ~~evidence of sufficient financial resources to satisfy~~
8 ~~the commitment to purchase undertaken by the broker in~~
9 ~~the plan.~~

10 ~~(D) Any licensee offering a guaranteed sales plan~~
11 ~~shall undertake to market the property of the seller~~
12 ~~subject to the plan in the same manner in which the~~
13 ~~broker would market any other property, unless the~~
14 ~~agreement with the seller provides otherwise.~~

15 ~~(E) The licensee cannot purchase seller's property~~
16 ~~until the brokerage agreement has ended according to~~
17 ~~its terms or is otherwise terminated.~~

18 ~~(F) Any licensee who fails to perform on a~~
19 ~~guaranteed sales plan in strict accordance with its~~
20 ~~terms shall be subject to all the penalties provided in~~
21 ~~this Act for violations thereof and, in addition, shall~~
22 ~~be subject to a civil fine payable to the party injured~~
23 ~~by the default in an amount of up to \$25,000.~~

24 (25) ~~(30)~~ Influencing or attempting to influence, by
25 any words or acts, a prospective seller, purchaser,
26 occupant, landlord, or tenant of real estate, in connection

1 with viewing, buying, or leasing real estate, so as to
2 promote or tend to promote the continuance or maintenance
3 of racially and religiously segregated housing or so as to
4 retard, obstruct, or discourage racially integrated
5 housing on or in any street, block, neighborhood, or
6 community.

7 (26) ~~(31)~~ Engaging in any act that constitutes a
8 violation of any provision of Article 3 of the Illinois
9 Human Rights Act, whether or not a complaint has been filed
10 with or adjudicated by the Human Rights Commission.

11 (27) ~~(32)~~ Inducing any party to a contract of sale or
12 lease or brokerage agreement to break the contract of sale
13 or lease or brokerage agreement for the purpose of
14 substituting, in lieu thereof, a new contract for sale or
15 lease or brokerage agreement with a third party.

16 ~~(33) Negotiating a sale, exchange, or lease of real~~
17 ~~estate directly with any person if the licensee knows that~~
18 ~~the person has an exclusive brokerage agreement with~~
19 ~~another broker, unless specifically authorized by that~~
20 ~~broker.~~

21 (28) ~~(34)~~ When a licensee is also an attorney, acting
22 as the attorney for either the buyer or the seller in the
23 same transaction in which the licensee is acting or has
24 acted as a managing broker licensee, or broker, or broker
25 associate.

26 ~~(35) Advertising or offering merchandise or services~~

1 ~~as free if any conditions or obligations necessary for~~
2 ~~receiving the merchandise or services are not disclosed in~~
3 ~~the same advertisement or offer. These conditions or~~
4 ~~obligations include without limitation the requirement~~
5 ~~that the recipient attend a promotional activity or visit a~~
6 ~~real estate site. As used in this subdivision (35), "free"~~
7 ~~includes terms such as "award", "prize", "no charge", "free~~
8 ~~of charge", "without charge", and similar words or phrases~~
9 ~~that reasonably lead a person to believe that he or she may~~
10 ~~receive or has been selected to receive something of value,~~
11 ~~without any conditions or obligations on the part of the~~
12 ~~recipient.~~

13 ~~(36) (Blank).~~

14 (29) ~~(37)~~ Violating the terms of a disciplinary order
15 issued by the Department.

16 (30) ~~(38)~~ Paying or failing to disclose compensation in
17 violation of Article 10 of this Act.

18 (31) ~~(39)~~ Requiring a party to a transaction who is not
19 a client of the licensee to allow the licensee to retain a
20 portion of the escrow moneys for payment of the licensee's
21 commission or expenses as a condition for release of the
22 escrow moneys to that party.

23 (32) ~~(40)~~ Disregarding or violating any provision of
24 this Act or the published rules adopted by the Department
25 to enforce this Act or aiding or abetting any individual,
26 foreign or domestic partnership, registered limited

1 liability partnership, limited liability company,
2 corporation, or other business entity in disregarding any
3 provision of this Act or the published rules adopted by the
4 Department to enforce this Act.

5 ~~(41) Failing to provide the minimum services required~~
6 ~~by Section 15-75 of this Act when acting under an exclusive~~
7 ~~brokerage agreement.~~

8 (33) ~~(42)~~ Habitual or excessive use or addiction to
9 alcohol, narcotics, stimulants, or any other chemical
10 agent or drug that results in a managing broker, broker, or
11 leasing agent's inability to practice with reasonable
12 skill or safety.

13 ~~(43) Enabling, aiding, or abetting an auctioneer, as~~
14 ~~defined in the Auction License Act, to conduct a real~~
15 ~~estate auction in a manner that is in violation of this~~
16 ~~Act.~~

17 (34) ~~(44)~~ Permitting any leasing agent or temporary
18 leasing agent permit holder to engage in activities that
19 require a broker ~~broker's~~ or managing broker ~~broker's~~
20 license.

21 (b) The Department may refuse to issue or renew or may
22 suspend the license of any person who fails to file a return,
23 pay the tax, penalty or interest shown in a filed return, or
24 pay any final assessment of tax, penalty, or interest, as
25 required by any tax Act administered by the Department of
26 Revenue, until such time as the requirements of that tax Act

1 are satisfied in accordance with subsection (g) of Section
2 2105-15 of the Civil Administrative Code of Illinois.

3 (c) (Blank).

4 (d) In cases where the Department of Healthcare and Family
5 Services (formerly Department of Public Aid) has previously
6 determined that a licensee or a potential licensee is more than
7 30 days delinquent in the payment of child support and has
8 subsequently certified the delinquency to the Department may
9 refuse to issue or renew or may revoke or suspend that person's
10 license or may take other disciplinary action against that
11 person based solely upon the certification of delinquency made
12 by the Department of Healthcare and Family Services in
13 accordance with item (5) of subsection (a) of Section 2105-15
14 of the Civil Administrative Code of Illinois.

15 (e) In enforcing this Section, the Department or Board upon
16 a showing of a possible violation may compel an individual
17 licensed to practice under this Act, or who has applied for
18 licensure under this Act, to submit to a mental or physical
19 examination, or both, as required by and at the expense of the
20 Department. The Department or Board may order the examining
21 physician to present testimony concerning the mental or
22 physical examination of the licensee or applicant. No
23 information shall be excluded by reason of any common law or
24 statutory privilege relating to communications between the
25 licensee or applicant and the examining physician. The
26 examining physicians shall be specifically designated by the

1 Board or Department. The individual to be examined may have, at
2 his or her own expense, another physician of his or her choice
3 present during all aspects of this examination. Failure of an
4 individual to submit to a mental or physical examination, when
5 directed, shall be grounds for suspension of his or her license
6 until the individual submits to the examination if the
7 Department finds, after notice and hearing, that the refusal to
8 submit to the examination was without reasonable cause.

9 If the Department or Board finds an individual unable to
10 practice because of the reasons set forth in this Section, the
11 Department or Board may require that individual to submit to
12 care, counseling, or treatment by physicians approved or
13 designated by the Department or Board, as a condition, term, or
14 restriction for continued, reinstated, or renewed licensure to
15 practice; or, in lieu of care, counseling, or treatment, the
16 Department may file, or the Board may recommend to the
17 Department to file, a complaint to immediately suspend, revoke,
18 or otherwise discipline the license of the individual. An
19 individual whose license was granted, continued, reinstated,
20 renewed, disciplined or supervised subject to such terms,
21 conditions, or restrictions, and who fails to comply with such
22 terms, conditions, or restrictions, shall be referred to the
23 Director ~~Secretary~~ for a determination as to whether the
24 individual shall have his or her license suspended immediately,
25 pending a hearing by the Department.

26 In instances in which the Director ~~Secretary~~ immediately

1 suspends a person's license under this Section, a hearing on
2 that person's license must be convened by the Department within
3 30 days after the suspension and completed without appreciable
4 delay. The Department and Board shall have the authority to
5 review the subject individual's record of treatment and
6 counseling regarding the impairment to the extent permitted by
7 applicable federal statutes and regulations safeguarding the
8 confidentiality of medical records.

9 An individual licensed under this Act and affected under
10 this Section shall be afforded an opportunity to demonstrate to
11 the Department or Board that he or she can resume practice in
12 compliance with acceptable and prevailing standards under the
13 provisions of his or her license.

14 (Source: P.A. 99-227, eff. 8-3-15; 100-22, eff. 1-1-18;
15 100-188, eff. 1-1-18; 100-534, eff. 9-22-17; 100-831, eff.
16 1-1-19; 100-863, eff. 8-14-18; 100-872, eff. 8-14-18; revised
17 10-22-18.)

18 (225 ILCS 454/20-21)

19 (Section scheduled to be repealed on January 1, 2020)

20 Sec. 20-21. Injunctions; cease and desist order.

21 (a) If any person violates the provisions of this Act, the
22 Secretary may, in the name of the People of the State of
23 Illinois, through the Attorney General of the State of Illinois
24 or the State's Attorney for any county in which the action is
25 brought, petition for an order enjoining the violation or for

1 an order enforcing compliance with this Act. Upon the filing of
2 a verified petition in court, the court may issue a temporary
3 restraining order, without notice or condition, and may
4 preliminarily and permanently enjoin the violation. If it is
5 established that the person has violated or is violating the
6 injunction, the Court may punish the offender for contempt of
7 court. Proceedings under this Section shall be in addition to,
8 and not in lieu of, all other remedies and penalties provided
9 by this Act.

10 (b) Whenever in the opinion of the Department a person
11 violates a provision of this Act, the Department may issue a
12 ruling to show cause why an order to cease and desist should
13 not be entered against that person. The rule shall clearly set
14 forth the grounds relied upon by the Department and shall allow
15 at least 7 days from the date of the rule to file an answer to
16 the satisfaction of the Department. Failure to answer to the
17 satisfaction of the Department shall cause an order to cease
18 and desist to be issued immediately.

19 (c) Other than as provided in Section 5-20 of this Act, if
20 any person practices as a managing broker licensee, broker,
21 broker associate, or leasing agent or holds himself or herself
22 out as a licensed sponsoring broker, managing broker licensee,
23 broker, broker associate, or leasing agent under this Act
24 without being issued a valid existing license by the
25 Department, then any licensed sponsoring broker, managing
26 broker licensee, broker, broker associate, leasing agent, any

1 interested party, or any person injured thereby may, in
2 addition to the Secretary, petition for relief as provided in
3 subsection (a) of this Section.

4 (Source: P.A. 99-227, eff. 8-3-15.)

5 (225 ILCS 454/20-23)

6 (Section scheduled to be repealed on January 1, 2020)

7 Sec. 20-23. Confidentiality. All information collected by
8 the Department in the course of an examination or investigation
9 of a licensee or applicant, including, but not limited to, any
10 complaint against a licensee, applicant, or any person who
11 holds himself or herself out as a licensee or applicant that is
12 filed with the Department and information collected to
13 investigate any such complaint, shall be maintained for the
14 confidential use of the Department and shall not be disclosed
15 except as otherwise provided in this Act. The Department may
16 not disclose the information to anyone other than law
17 enforcement officials, regulatory agencies that have an
18 appropriate regulatory interest as determined by the Director
19 ~~Secretary~~, or a party presenting a lawful subpoena to the
20 Department. Information and documents disclosed to a federal,
21 State, county, or local law enforcement agency shall not be
22 disclosed by the agency for any purpose to any other agency or
23 person. A formal complaint filed against a licensee by the
24 Department or any order issued by the Department against a
25 licensee or applicant shall be a public record, except as

1 otherwise prohibited by law.

2 (Source: P.A. 98-553, eff. 1-1-14.)

3 (225 ILCS 454/20-25)

4 (Section scheduled to be repealed on January 1, 2020)

5 Sec. 20-25. Returned checks; fees. Any person who delivers
6 a check or other payment to the Department that is returned to
7 the Department unpaid by the financial institution upon which
8 it is drawn shall pay to the Department, in addition to the
9 amount already owed to the Department, a fee of \$50. The
10 Department shall notify the person that payment of fees and
11 fines shall be paid to the Department by certified check or
12 money order within 30 calendar days of the notification. If,
13 after the expiration of 30 days from the date of the
14 notification, the person has failed to submit the necessary
15 remittance, the Department shall automatically terminate the
16 license or deny the application, without hearing. If, after
17 termination or denial, the person seeks a license, he or she
18 shall apply to the Department for restoration or issuance of
19 the license and pay all fees and fines due to the Department.
20 The Department may establish a fee for the processing of an
21 application for restoration of a license to pay all expenses of
22 processing this application. The Director ~~Secretary~~ may waive
23 the fees due under this Section in individual cases where the
24 Director ~~Secretary~~ finds that the fees would be unreasonable or
25 unnecessarily burdensome.

1 (Source: P.A. 96-856, eff. 12-31-09.)

2 (225 ILCS 454/20-60)

3 (Section scheduled to be repealed on January 1, 2020)

4 Sec. 20-60. Investigations notice and hearing.

5 (a) The Department may investigate the actions of any
6 applicant or of any person or persons rendering or offering to
7 render services or any person holding or claiming to hold a
8 license under this Act and may notify his or her named managing
9 broker and sponsoring broker of the pending investigation.

10 (b) If a citation is issued under subsection (a) of Section
11 20-20, the Department shall notify the accused and his or her
12 named managing broker and sponsoring broker in writing of the
13 alleged violation, the time and place for a hearing on the
14 allegations, and instructions to the accused for payment of the
15 fine or the submission of an answer to the allegations if the
16 accused disputes the allegations. Any person that receives
17 notice of a citation from the Department may respond by payment
18 of the fine assessed before the time in the notice for the
19 hearing. Payment of the fine before the hearing date shall
20 constitute final action on the allegations contained in the
21 notice.

22 (c) The Department shall, before revoking, suspending,
23 placing on probation, reprimanding, or taking any other
24 disciplinary action for a violation of subsection (b) of
25 Section 20-20 under Article 20 of this Act, at least 30 days

1 before the date set for the hearing, (i) notify the accused and
2 his or her managing broker and sponsoring broker in writing of
3 the charges made and the time and place for the hearing on the
4 charges, and whether the licensee's license has been
5 temporarily suspended under Section 20-65, (ii) direct the
6 accused to file a written answer to the charges with the Board
7 under oath within 20 days after the service on him or her of
8 the notice, and (iii) inform the accused that if he or she
9 fails to answer, default will be taken against him or her or
10 that his or her license may be suspended, revoked, placed on
11 probationary status, or other disciplinary action taken with
12 regard to the license, including limiting the scope, nature, or
13 extent of his or her practice, as the Department may consider
14 proper.

15 (d) Unless the accused has paid the fine assessed under a
16 citation, at ~~At~~ the time and place fixed in the notice, the
17 Board shall proceed to hear the charges and the parties or
18 their counsel shall be accorded ample opportunity to present
19 any pertinent statements, testimony, evidence, and arguments.
20 The Board may continue the hearing from time to time. In case
21 the person, after receiving the notice, fails to file an
22 answer, his or her license may, in the discretion of the
23 Department, be suspended, revoked, placed on probationary
24 status, or the Department may take whatever disciplinary action
25 considered proper, including limiting the scope, nature, or
26 extent of the person's practice or the imposition of a fine,

1 without a hearing, if the act or acts charged constitute
2 sufficient grounds for that action under this Act.

3 (e) Written notices required by this Article ~~The written~~
4 ~~notice~~ may be served by personal delivery or by certified mail
5 to the address specified by the accused in his or her last
6 notification with the Department and shall include notice to
7 the named managing broker and sponsoring broker. A copy of the
8 Department's final order shall be delivered to the named
9 managing broker and sponsoring broker.

10 (f) Payment of a fine that has been assessed under
11 subsection (a) of Section 20-20 shall not constitute
12 disciplinary action reportable on the Department's website or
13 the Department's online information portal unless an accused
14 has paid 2 or more fines in any consecutive 24-month period.

15 (Source: P.A. 100-188, eff. 1-1-18.)

16 (225 ILCS 454/20-64)

17 (Section scheduled to be repealed on January 1, 2020)

18 Sec. 20-64. Board; rehearing. At the conclusion of a
19 hearing, a copy of the Board's report shall be served upon the
20 applicant or licensee by the Department, either personally or
21 as provided in this Act for the service of a notice of hearing.
22 Within 20 days after service, the applicant or licensee may
23 present to the Department a motion in writing for a rehearing,
24 which shall specify the particular grounds for rehearing. The
25 Department may respond to the motion, or if a motion for

1 rehearing is denied, then upon denial, and except as provided
2 in Section 20-72 of this Act, the Director ~~Secretary~~ may enter
3 an order in accordance with the recommendations of the Board.
4 If the applicant or licensee orders from the reporting service
5 and pays for a transcript of the record within the time for
6 filing a motion for rehearing, then the 20-day period within
7 which a motion may be filed shall commence upon the delivery of
8 the transcript to the applicant or licensee.

9 (Source: P.A. 96-856, eff. 12-31-09.)

10 (225 ILCS 454/20-65)

11 (Section scheduled to be repealed on January 1, 2020)

12 Sec. 20-65. Temporary suspension. The Director ~~Secretary~~
13 may temporarily suspend the license of a licensee without a
14 hearing, simultaneously with the institution of proceedings
15 for a hearing provided for in Section 20-60 ~~20-61~~ of this Act,
16 if the Director ~~Secretary~~ finds that the evidence indicates
17 that the public interest, safety, or welfare imperatively
18 requires emergency action. In the event that the Director
19 ~~Secretary~~ temporarily suspends the license without a hearing
20 before the Board, a hearing shall be commenced within 30 days
21 after the suspension has occurred. The suspended licensee may
22 seek a continuance of the hearing during which the suspension
23 shall remain in effect. The proceeding shall be concluded
24 without appreciable delay.

25 (Source: P.A. 96-856, eff. 12-31-09.)

1 (225 ILCS 454/20-66)

2 (Section scheduled to be repealed on January 1, 2020)

3 Sec. 20-66. Appointment of a hearing officer. The Director
4 ~~Secretary~~ has the authority to appoint any attorney licensed to
5 practice law in the State of Illinois to serve as the hearing
6 officer in any action for refusal to issue, restore, or renew a
7 license or to discipline a licensee. The hearing officer has
8 full authority to conduct the hearing. Any Board member may
9 attend the hearing. The hearing officer shall report his or her
10 findings of fact, conclusions of law, and recommendations to
11 the Board. The Board shall review the report of the hearing
12 officer and present its findings of fact, conclusions of law,
13 and recommendations to the Director ~~Secretary~~ and all parties
14 to the proceeding. If the Director ~~Secretary~~ disagrees with a
15 recommendation of the Board or of the hearing officer, then the
16 Director ~~Secretary~~ may issue an order in contravention of the
17 recommendation that must include an explanation for the
18 contravention and shall be delivered to the Board.

19 (Source: P.A. 96-856, eff. 12-31-09.)

20 (225 ILCS 454/20-67)

21 (Section scheduled to be repealed on January 1, 2020)

22 Sec. 20-67. Order or certified copy; prima facie proof. An
23 order, or certified copy of an order, over the seal of the
24 Department and purporting to be signed by the Director

1 ~~Secretary~~ is prima facie proof that (i) the signature is the
2 genuine signature of the Director Secretary, (ii) the Director
3 ~~Secretary~~ is duly appointed and qualified, and (iii) the Board
4 and its members are qualified to act.

5 (Source: P.A. 96-856, eff. 12-31-09.)

6 (225 ILCS 454/20-68)

7 (Section scheduled to be repealed on January 1, 2020)

8 Sec. 20-68. Surrender of license. Upon the revocation or
9 suspension of a license, the Department may immediately change
10 the status of the licensee's license on the Department's online
11 information portal and the licensee shall immediately cease to
12 engage in licensed activities ~~licensee shall immediately~~
13 ~~surrender his or her license to the Department. If the licensee~~
14 ~~fails to do so, the Department has the right to seize the~~
15 ~~license.~~

16 (Source: P.A. 96-856, eff. 12-31-09.)

17 (225 ILCS 454/20-72)

18 (Section scheduled to be repealed on January 1, 2020)

19 Sec. 20-72. Director Secretary; rehearing. If the Director
20 ~~Secretary~~ believes that substantial justice has not been done
21 in the revocation, suspension, or refusal to issue, restore, or
22 renew a license, or any other discipline of an applicant or
23 licensee, then he or she may order a rehearing by the same or
24 other examiners.

1 (Source: P.A. 96-856, eff. 12-31-09.)

2 (225 ILCS 454/20-85)

3 (Section scheduled to be repealed on January 1, 2020)

4 Sec. 20-85. Recovery from Real Estate Recovery Fund. The
5 Department shall maintain a Real Estate Recovery Fund from
6 which any person aggrieved by an act, representation,
7 transaction, or conduct of a licensee or unlicensed employee of
8 a licensee that is in violation of this Act or the rules
9 promulgated pursuant thereto, constitutes embezzlement of
10 money or property, or results in money or property being
11 unlawfully obtained from any person by false pretenses,
12 artifice, trickery, or forgery or by reason of any fraud,
13 misrepresentation, discrimination, or deceit by or on the part
14 of any such licensee or the unlicensed employee of a licensee
15 and that results in a loss of actual cash money, as opposed to
16 losses in market value, may recover. The aggrieved person may
17 recover, by a post-judgment order of the circuit court of the
18 county where the violation occurred in a proceeding described
19 in Section 20-90 of this Act, an amount of not more than
20 \$250,000 ~~\$25,000~~ from the Fund for damages sustained by the
21 act, representation, transaction, or conduct, together with
22 costs of suit and attorney's fees incurred in connection
23 therewith ~~of not to exceed 15% of the amount of the recovery~~
24 ~~ordered paid from the Fund. However, no person may recover from~~
25 ~~the Fund unless the court finds that the person suffered a loss~~

1 ~~resulting from intentional misconduct.~~ The post-judgment order
2 shall not include interest on the judgment. ~~The maximum~~
3 ~~liability against the Fund arising out of any one act shall be~~
4 ~~as provided in this Section, and the post-judgment order shall~~
5 ~~spread the award equitably among all co owners or otherwise~~
6 ~~aggrieved persons, if any.~~ The maximum liability against the
7 Fund arising out of the activities of any one licensee or one
8 unlicensed employee of a licensee in any one transaction or set
9 of facts that formed the basis of a post-judgment order, since
10 ~~January 1, 1974,~~ shall be \$1,000,000 ~~\$100,000~~. Nothing in this
11 Section shall be construed to authorize recovery from the Fund
12 unless the loss of the aggrieved person results from an act or
13 omission of a licensee under this Act who was at the time of
14 the act or omission acting in such capacity or was apparently
15 acting in such capacity or their unlicensed employee and unless
16 the aggrieved person has obtained a valid judgment and
17 post-judgment order of the court as provided for in Section
18 20-90 of this Act.

19 (Source: P.A. 99-227, eff. 8-3-15; 100-534, eff. 9-22-17.)

20 (225 ILCS 454/20-90)

21 (Section scheduled to be repealed on January 1, 2020)

22 Sec. 20-90. Collection from Real Estate Recovery Fund;
23 procedure.

24 (a) No action for a judgment that subsequently results in a
25 post-judgment order for collection from the Real Estate

1 Recovery Fund shall be started later than 2 years after the
2 date on which the aggrieved person knew, or through the use of
3 reasonable diligence should have known, of the acts or
4 omissions giving rise to a right of recovery from the Real
5 Estate Recovery Fund.

6 (b) When any aggrieved person commences action for a
7 judgment that may result in collection from the Real Estate
8 Recovery Fund, the aggrieved person must name as parties
9 defendant to that action any and all licensees, their
10 employees, or independent contractors who allegedly committed
11 or are responsible for acts or omissions giving rise to a right
12 of recovery from the Real Estate Recovery Fund. Failure to name
13 as parties defendant such licensees, their employees, or
14 independent contractors shall preclude recovery from the Real
15 Estate Recovery Fund of any portion of any judgment received in
16 such an action. These parties defendant shall also include any
17 corporations, limited liability companies, partnerships,
18 registered limited liability partnership, or other business
19 associations licensed under this Act that may be responsible
20 for acts giving rise to a right of recovery from the Real
21 Estate Recovery Fund.

22 (c) (Blank).

23 (d) When any aggrieved person commences action for a
24 judgment that may result in collection from the Real Estate
25 Recovery Fund, and the aggrieved person is unable to obtain
26 legal and proper service upon the parties defendant licensed

1 under this Act under the provisions of Illinois law concerning
2 service of process in civil actions, the aggrieved person may
3 petition the court where the action to obtain judgment was
4 begun for an order to allow service of legal process on the
5 Secretary. Service of process on the Secretary shall be taken
6 and held in that court to be as valid and binding as if due
7 service had been made upon the parties defendant licensed under
8 this Act. In case any process mentioned in this Section is
9 served upon the Secretary, the Secretary shall forward a copy
10 of the process by certified mail to the licensee's last address
11 on record with the Department. Any judgment obtained after
12 service of process on the Secretary under this Act shall apply
13 to and be enforceable against the Real Estate Recovery Fund
14 only. The Department may intervene in and defend any such
15 action.

16 (e) (Blank).

17 (f) The aggrieved person shall give written notice to the
18 Department within 30 days of the entry of any judgment that may
19 result in collection from the Real Estate Recovery Fund. The
20 aggrieved person shall provide the Department with 20 days
21 prior written notice of all supplementary proceedings so as to
22 allow the Department to intervene and participate in all
23 efforts to collect on the judgment in the same manner as any
24 party.

25 (g) When any aggrieved person recovers a valid judgment in
26 any court of competent jurisdiction in an action in which the

1 court has found the aggrieved person to be injured or otherwise
2 damaged by ~~against~~ any licensee or an unlicensed employee of
3 any licensee as the result of , ~~upon the grounds of~~ fraud,
4 misrepresentation, discrimination, ~~or~~ deceit, or intentional
5 violation of this Act by the licensee or the unlicensed
6 employee of the licensee, the aggrieved person may, upon the
7 termination of all proceedings, including review and appeals in
8 connection with the judgment, file a verified claim in the
9 court in which the judgment was entered and, upon 30 days'
10 written notice to the Department, and to the person against
11 whom the judgment was obtained, may apply to the court for a
12 post-judgment order directing payment from ~~out of~~ the Real
13 Estate Recovery Fund of the amount unpaid upon the judgment,
14 not including interest on the judgment, and subject to the
15 limitations stated in Section 20-85 of this Act. The aggrieved
16 person must set out in that verified claim and prove at an
17 evidentiary hearing to be held by the court upon the
18 application that the claim meets all requirements of Section
19 20-85 and this Section to be eligible for payment from the Real
20 Estate Recovery Fund and the aggrieved party shall be required
21 to show that the aggrieved person:

22 (1) Is not a spouse of the debtor or debtors or the
23 personal representative of such spouse.

24 (2) Has complied with all the requirements of this
25 Section.

26 (3) Has obtained a judgment stating the amount thereof

1 and the amount owing thereon, not including interest
2 thereon, at the date of the application.

3 ~~(4) Has made all reasonable searches and inquiries to~~
4 ~~ascertain whether the judgment debtor or debtors is~~
5 ~~possessed of real or personal property or other assets,~~
6 ~~liable to be sold or applied in satisfaction of the~~
7 ~~judgment.~~

8 ~~(5) By such search has discovered no personal or real~~
9 ~~property or other assets liable to be sold or applied, or~~
10 ~~has discovered certain of them, describing them as owned by~~
11 ~~the judgment debtor or debtors and liable to be so applied~~
12 ~~and has taken all necessary action and proceedings for the~~
13 ~~realization thereof, and the amount thereby realized was~~
14 ~~insufficient to satisfy the judgment, stating the amount so~~
15 ~~realized and the balance remaining due on the judgment~~
16 ~~after application of the amount realized.~~

17 ~~(6) Has diligently pursued all remedies against all the~~
18 ~~judgment debtors and all other persons liable to the~~
19 ~~aggrieved person in the transaction for which recovery is~~
20 ~~sought from the Real Estate Recovery Fund, including the~~
21 ~~filing of an adversary action to have the debts declared~~
22 ~~non-dischargeable in any bankruptcy petition matter filed~~
23 ~~by any judgment debtor or person liable to the aggrieved~~
24 ~~person.~~

25 (4) Has shown evidence of ~~The aggrieved person shall~~
26 ~~also be required to prove~~ the amount of attorney's fees

1 sought to be recovered and the reasonableness of those fees
2 up to the maximum allowed pursuant to Section 20-85 of this
3 Act. An affidavit from the aggrieved person's attorney
4 shall be sufficient evidence of the attorneys' fees
5 incurred.

6 (h) If, after ~~After~~ conducting the evidentiary hearing
7 required under this Section, the court finds the aggrieved
8 party has satisfied the requirements of Section 20-85 and this
9 Section, the court shall, in a post-judgment order directed to
10 the Department, order ~~shall indicate whether requiring~~ payment
11 from the Real Estate Recovery Fund in the amount of the unpaid
12 balance of the aggrieved party's judgment subject is
13 ~~appropriate and, if so, the amount it finds to be payable upon~~
14 ~~the claim, pursuant to and in accordance with the limitations~~
15 ~~contained in Section 20-85 of this Act, if the court is~~
16 ~~satisfied, based upon the hearing, of the truth of all matters~~
17 ~~required to be shown by the aggrieved person under subsection~~
18 ~~(g) of this Section and that the aggrieved person has fully~~
19 ~~pursued and exhausted all remedies available for recovering the~~
20 ~~amount awarded by the judgment of the court.~~

21 (i) (Blank). ~~Should the Department pay from the Real Estate~~
22 ~~Recovery Fund any amount in settlement of a claim or toward~~
23 ~~satisfaction of a judgment against any licensee or an~~
24 ~~unlicensed employee of a licensee, the licensee's license shall~~
25 ~~be automatically revoked upon the issuance of a post judgment~~
26 ~~order authorizing payment from the Real Estate Recovery Fund.~~

1 ~~No petition for restoration of a license shall be heard until~~
2 ~~repayment has been made in full, plus interest at the rate~~
3 ~~prescribed in Section 12-109 of the Code of Civil Procedure of~~
4 ~~the amount paid from the Real Estate Recovery Fund on their~~
5 ~~account, notwithstanding any provision to the contrary in~~
6 ~~Section 2105 15 of the Department of Professional Regulation~~
7 ~~Law of the Civil Administrative Code of Illinois. A discharge~~
8 ~~in bankruptcy shall not relieve a person from the penalties and~~
9 ~~disabilities provided in this subsection (i).~~

10 (j) If, at any time, the money deposited in the Real Estate
11 Recovery Fund is insufficient to satisfy any duly authorized
12 claim or portion thereof, the Department shall, when sufficient
13 money has been deposited in the Real Estate Recovery Fund,
14 satisfy such unpaid claims or portions thereof, in the order
15 that such claims or portions thereof were originally filed,
16 plus accumulated interest at the rate prescribed in Section
17 12-109 of the Code of Civil Procedure.

18 (Source: P.A. 96-856, eff. 12-31-09; 97-1002, eff. 8-17-12.)

19 (225 ILCS 454/25-10)

20 (Section scheduled to be repealed on January 1, 2020)

21 Sec. 25-10. Real Estate Administration and Disciplinary
22 Board; duties. There is created the Real Estate Administration
23 and Disciplinary Board. The Board shall be composed of 15
24 persons appointed by the Governor. Members shall be appointed
25 to the Board subject to the following conditions:

1 (1) All members shall have been residents and citizens
2 of this State for at least 6 years prior to the date of
3 appointment.

4 (2) Twelve members shall have been actively engaged as
5 managing broker licensees ~~brokers~~ or brokers or both for at
6 least the 10 years prior to the appointment, 2 of whom must
7 possess an active pre-license instructor license.

8 (3) Three members of the Board shall be public members
9 who represent consumer interests.

10 None of these members shall be (i) a person who is licensed
11 under this Act or a similar Act of another jurisdiction, (ii)
12 the spouse or family member of a licensee, (iii) a person who
13 has an ownership interest in a real estate brokerage business,
14 or (iv) a person the Department determines to have any other
15 connection with a real estate brokerage business or a licensee.

16 The members' terms shall be for 4 years and expire upon
17 completion of the term. No member shall be reappointed to the
18 Board for a term that would cause his or her cumulative service
19 to the Board to exceed 10 years. Appointments to fill vacancies
20 shall be for the unexpired portion of the term. Those members
21 of the Board that satisfy the requirements of paragraph (2)
22 shall be chosen in a manner such that no area of the State
23 shall be unreasonably represented. In making the appointments,
24 the Governor shall give due consideration to the
25 recommendations by members and organizations of the
26 profession. The Governor may terminate the appointment of any

1 member for cause that in the opinion of the Governor reasonably
2 justifies the termination. Cause for termination shall include
3 without limitation misconduct, incapacity, neglect of duty, or
4 missing 4 board meetings during any one calendar year. Each
5 member of the Board may receive a per diem stipend in an amount
6 to be determined by the Secretary. Each member shall be paid
7 his or her necessary expenses while engaged in the performance
8 of his or her duties. Such compensation and expenses shall be
9 paid out of the Real Estate License Administration Fund.

10 (4) The Director ~~Secretary~~ shall consider the
11 recommendations of the Board on questions involving standards
12 of professional conduct, discipline, education, and policies
13 and procedures under this Act. With regard to this subject
14 matter, the Director ~~Secretary~~ may establish temporary or
15 permanent committees of the Board and shall ~~may~~ consider the
16 recommendations of the Board on matters that include, but are
17 not limited to, criteria for the licensing and renewal of
18 education providers, pre-license and continuing education
19 instructors, pre-license and continuing education curricula,
20 standards of educational criteria, and qualifications for
21 licensure and renewal of professions, courses, and
22 instructors. The Department, after notifying and considering
23 the recommendations of the Board, if any, may issue rules,
24 consistent with the provisions of this Act, for the
25 administration and enforcement thereof and may prescribe forms
26 that shall be used in connection therewith. Eight Board members

1 shall constitute a quorum. A quorum is required for all Board
2 decisions.

3 (Source: P.A. 99-227, eff. 8-3-15; 100-188, eff. 1-1-18;
4 100-886, eff. 8-14-18.)

5 (225 ILCS 454/25-13)

6 (Section scheduled to be repealed on January 1, 2020)

7 Sec. 25-13. Rules. The Department may, after notice to and
8 consideration by the Board, seek changes to this Act and after
9 notice to and consideration by ~~notifying and considering the~~
10 ~~recommendations of the Board, if any,~~ shall adopt, promulgate,
11 and issue any rules that may be necessary for the
12 implementation and enforcement of this Act.

13 (Source: P.A. 96-856, eff. 12-31-09.)

14 (225 ILCS 454/25-14.5 new)

15 Sec. 25-14.5. Director of Real Estate. The Director of Real
16 Estate, created under Executive Order 14-03, shall have the
17 following duties and responsibilities:

18 (1) act as chairperson of the Board, ex officio,
19 without vote;

20 (2) subject to the administrative approval of the
21 Secretary, supervise all real estate activities;

22 (3) appoint any necessary committees to assist in the
23 performance of the functions and duties of the Department
24 under this Act; and

1 (4) be authorized to grant variances, as prescribed by
2 rule, from the requirements of this Act or its rules after
3 notice to and receiving the recommendation of the Board.

4 (225 ILCS 454/25-15)

5 (Section scheduled to be repealed on January 1, 2020)

6 Sec. 25-15. Real Estate Coordinator; duties. There shall be
7 in the Division ~~Department~~ a Real Estate Coordinator, appointed
8 by the Secretary, who shall hold a currently valid broker
9 ~~broker's~~ license, which shall be surrendered to the Department
10 during the appointment. The Real Estate Coordinator shall have
11 the following duties and responsibilities:

12 ~~(1) act as Chairperson of the Board, ex officio,~~
13 ~~without vote;~~

14 (1) ~~(2)~~ be the direct liaison between the Department,
15 the profession, and real estate organizations and
16 associations; and

17 (2) ~~(3)~~ prepare and circulate to licensees any
18 educational and informational material that the Department
19 deems necessary for providing guidance or assistance to
20 licensees. +

21 ~~(4) appoint any necessary committees to assist in the~~
22 ~~performance of the functions and duties of the Department~~
23 ~~under this Act; and~~

24 ~~(5) subject to the administrative approval of the~~
25 ~~Secretary, supervise all real estate activities.~~

1 In designating the Real Estate Coordinator, the Secretary
2 shall give due consideration to recommendations by members and
3 organizations of the profession.

4 (Source: P.A. 96-856, eff. 12-31-09.)

5 (225 ILCS 454/25-25)

6 (Section scheduled to be repealed on January 1, 2020)

7 Sec. 25-25. Real Estate Research and Education Fund. A
8 special fund to be known as the Real Estate Research and
9 Education Fund is created and shall be held in trust in the
10 State Treasury. Annually, on September 15th, the State
11 Treasurer shall cause a transfer of \$125,000 to the Real Estate
12 Research and Education Fund from the Real Estate License
13 Administration Fund. The Real Estate Research and Education
14 Fund shall be administered by the Department. Money deposited
15 in the Real Estate Research and Education Fund may be used for
16 research and education at state institutions of higher
17 education or other organizations for research and the
18 advancement of education in the real estate industry. Of the
19 \$125,000 annually transferred into the Real Estate Research and
20 Education Fund, \$30,000 ~~\$15,000~~ shall be used to fund a
21 scholarship program for persons of minority racial origin who
22 wish to pursue a course of study in the field of real estate.
23 For the purposes of this Section, "course of study" means a
24 course or courses that are part of a program of courses in the
25 field of real estate designed to further an individual's

1 knowledge or expertise in the field of real estate. These
2 courses shall include without limitation courses that a broker
3 licensed under this Act must complete to qualify for a managing
4 broker licensee ~~broker's~~ license, courses required to obtain a
5 professional designation offered by a not-for-profit,
6 education-based organization ~~the Graduate Realtors Institute~~
7 ~~designation~~, and any other courses or programs offered by
8 accredited colleges, universities, or other institutions of
9 higher education in Illinois. The scholarship program shall be
10 administered by the Department or its designee. Moneys in the
11 Real Estate Research and Education Fund may be invested and
12 reinvested in the same manner as funds in the Real Estate
13 Recovery Fund and all earnings, interest, and dividends
14 received from such investments shall be deposited in the Real
15 Estate Research and Education Fund and may be used for the same
16 purposes as moneys transferred to the Real Estate Research and
17 Education Fund. ~~Moneys in the Real Estate Research and~~
18 ~~Education Fund may be transferred to the Professions Indirect~~
19 ~~Cost Fund as authorized under Section 2105-300 of the~~
20 ~~Department of Professional Regulation Law of the Civil~~
21 ~~Administrative Code of Illinois.~~

22 (Source: P.A. 99-227, eff. 8-3-15.)

23 (225 ILCS 454/25-35)

24 (Section scheduled to be repealed on January 1, 2020)

25 Sec. 25-35. Real Estate Recovery Fund. A special fund to be

1 known as the Real Estate Recovery Fund is created in the State
2 Treasury. All fines and penalties received by the Department
3 pursuant to Article 20 of this Act shall be deposited into the
4 State Treasury and held in the Real Estate Recovery Fund. The
5 money in the Real Estate Recovery Fund shall be used by the
6 Department exclusively for carrying out the purposes
7 established by this Act. If, at any time, the balance remaining
8 in the Real Estate Recovery Fund is less than \$1,000,000
9 ~~\$750,000~~, the State Treasurer shall cause a transfer of moneys
10 to the Real Estate Recovery Fund from the Real Estate License
11 Administration Fund in an amount necessary to establish a
12 balance of \$1,000,000 ~~\$800,000~~ in the Real Estate Recovery
13 Fund. These funds may be invested and reinvested in the same
14 manner as authorized for pension funds in Article 1 of the
15 Illinois Pension Code. All earnings, interest, and dividends
16 received from investment of funds in the Real Estate Recovery
17 Fund shall be deposited into the Real Estate License
18 Administration Fund and shall be used for the same purposes as
19 other moneys deposited in the Real Estate License
20 Administration Fund.

21 (Source: P.A. 96-856, eff. 12-31-09.)

22 (225 ILCS 454/30-5)

23 (Section scheduled to be repealed on January 1, 2020)

24 Sec. 30-5. Licensing of real estate education providers and
25 instructors.

1 (a) No person shall operate an education provider entity
2 without possessing a valid and active license issued by the
3 Department. Only education providers in possession of a valid
4 education provider license may provide real estate
5 pre-license, post-license, or continuing education courses
6 that satisfy the requirements of this Act. Every person that
7 desires to obtain an education provider license shall make
8 application to the Department in writing on forms prescribed by
9 the Department and pay the fee prescribed by rule. In addition
10 to any other information required to be contained in the
11 application as prescribed by rule, every application for an
12 original or renewed license shall include the applicant's
13 Social Security number or tax identification number.

14 (b) (Blank).

15 (c) (Blank).

16 (d) (Blank).

17 (e) (Blank).

18 (f) To qualify for an education provider license, an
19 applicant must demonstrate the following:

20 (1) a sound financial base for establishing,
21 promoting, and delivering the necessary courses; budget
22 planning for the school's courses should be clearly
23 projected;

24 (2) a sufficient number of qualified, licensed
25 instructors as provided by rule;

26 (3) adequate support personnel to assist with

1 administrative matters and technical assistance;

2 (4) maintenance and availability of records of
3 participation for licensees;

4 (5) the ability to provide each participant who
5 successfully completes an approved program with a
6 certificate of completion that shall include the program
7 that was completed, the completion date, the course number,
8 and the student's and education provider's license numbers
9 ~~signed by the administrator of a licensed education~~
10 ~~provider on forms provided by the Department;~~

11 (6) a written policy dealing with procedures for the
12 management of grievances and fee refunds;

13 (7) lesson plans and examinations, if applicable, for
14 each course;

15 (8) a 75% passing grade for successful completion of
16 any continuing education course or pre-license or
17 post-license examination, if required;

18 (9) the ability to identify and use instructors who
19 will teach in a planned program; instructor selections must
20 demonstrate:

21 (A) appropriate credentials;

22 (B) competence as a teacher;

23 (C) knowledge of content area; and

24 (D) qualification by experience.

25 Unless otherwise provided for in this Section, the
26 education provider shall provide a proctor or an electronic

1 means of proctoring for each examination; the education
2 provider shall be responsible for the conduct of the proctor;
3 the duties and responsibilities of a proctor shall be
4 established by rule.

5 Unless otherwise provided for in this Section, the
6 education provider must provide for closed book examinations
7 for each course unless the Department, upon the recommendation
8 of the Board, excuses this requirement based on the complexity
9 of the course material.

10 (g) Advertising and promotion of education activities must
11 be carried out in a responsible fashion clearly showing the
12 educational objectives of the activity, the nature of the
13 audience that may benefit from the activity, the cost of the
14 activity to the participant and the items covered by the cost,
15 the amount of credit that can be earned, and the credentials of
16 the faculty.

17 (h) The Department may, or upon request of the Board shall,
18 after notice, cause an education provider to attend an informal
19 conference before the Board for failure to comply with any
20 requirement for licensure or for failure to comply with any
21 provision of this Act or the rules for the administration of
22 this Act. The Board shall make a recommendation to the
23 Department as a result of its findings at the conclusion of any
24 such informal conference.

25 (i) All education providers shall maintain these minimum
26 criteria and pay the required fee in order to retain their

1 education provider license.

2 (j) The Department may adopt any administrative rule
3 consistent with the language and intent of this Act that may be
4 necessary for the implementation and enforcement of this
5 Section.

6 (Source: P.A. 100-188, eff. 1-1-18; 100-831, eff. 1-1-19.)

7 (225 ILCS 454/30-15)

8 (Section scheduled to be repealed on January 1, 2020)

9 Sec. 30-15. Licensing of education providers; approval of
10 courses.

11 ~~(a) (Blank).~~

12 ~~(b) (Blank).~~

13 ~~(c) (Blank).~~

14 ~~(d) (Blank).~~

15 ~~(e) (Blank).~~

16 (a) ~~(f)~~ All education providers shall submit, at the time
17 of initial application and with each license renewal, a list of
18 courses with course materials that comply with the course
19 requirements in this Act to be offered by the education
20 provider. The Department may establish an online mechanism by
21 which education providers may submit for approval by the
22 Department upon the recommendation of the Board or its designee
23 pre-license, post-license, or continuing education courses
24 that are submitted after the time of the education provider's
25 initial license application or renewal. The Department shall

1 provide to each education provider a certificate for each
2 approved pre-license, post-license, or continuing education
3 course. All pre-license, post-license, or continuing education
4 courses shall be valid for the period coinciding with the term
5 of license of the education provider. However, in no case shall
6 a course continue to be valid if it does not, at all times,
7 meet all of the requirements of the core curriculum established
8 by this Act and the Board, as modified from time to time in
9 accordance with this Act. All education providers shall provide
10 a copy of the certificate of the pre-license, post-license, or
11 continuing education course within the course materials given
12 to each student or shall display a copy of the certificate of
13 the pre-license, post-license, or continuing education course
14 in a conspicuous place at the location of the class.

15 (b) ~~(g)~~ Each education provider shall provide to the
16 Department a report in a frequency and format determined by the
17 Department, with information concerning students who
18 successfully completed all approved pre-license, post-license,
19 or continuing education courses offered by the education
20 provider.

21 (c) ~~(h)~~ The Department, upon the recommendation of the
22 Board, may temporarily suspend a licensed education provider's
23 approved courses without hearing and refuse to accept
24 successful completion of or participation in any of these
25 pre-license, post-license, or continuing education courses for
26 education credit from that education provider upon the failure

1 of that education provider to comply with the provisions of
2 this Act or the rules for the administration of this Act, until
3 such time as the Department receives satisfactory assurance of
4 compliance. The Department shall notify the education provider
5 of the noncompliance and may initiate disciplinary proceedings
6 pursuant to this Act. The Department may refuse to issue,
7 suspend, revoke, or otherwise discipline the license of an
8 education provider or may withdraw approval of a pre-license,
9 post-license, or continuing education course for good cause.
10 Failure to comply with the requirements of this Section or any
11 other requirements established by rule shall be deemed to be
12 good cause. Disciplinary proceedings shall be conducted by the
13 Board in the same manner as other disciplinary proceedings
14 under this Act.

15 (d) ~~(i)~~ Pre-license, post-license, and continuing
16 education courses, whether submitted for approval at the time
17 of an education provider's initial application for licensure or
18 otherwise, must meet the following minimum course
19 requirements:

20 (1) No continuing education course shall be required to
21 be taught in increments longer than one hour ~~2 hours~~ in
22 duration; however, for each one hour ~~2 hours~~ of course time
23 in each course, there shall be a minimum of 50 ~~100~~ minutes
24 of instruction.

25 (2) All core curriculum courses shall be provided only
26 in the classroom or through a live, interactive webinar or

1 online distance education format.

2 (3) Courses provided through a live, interactive
3 webinar shall require all participants to demonstrate
4 their attendance in and attention to the course by
5 answering or responding to at least one polling question
6 per 50 ~~30~~ minutes of course instruction. ~~In no event shall~~
7 ~~the interval between polling questions exceed 30 minutes.~~

8 (4) All participants in courses provided in an online
9 distance education format shall demonstrate proficiency
10 with the subject matter of the course through verifiable
11 responses to questions included in the course content.

12 (5) Credit for courses completed in a classroom or
13 through a live, interactive webinar or online distance
14 education format shall not require an examination.

15 (6) Credit for courses provided through
16 correspondence, or by home study, shall require the passage
17 of an in-person, proctored examination.

18 (e) ~~(j)~~ The Department is authorized to engage a third
19 party as the Board's designee to perform the functions
20 specifically provided for in subsection (a) ~~(f)~~ of this
21 Section, namely that of administering the online system for
22 receipt, review, and approval or denial of new courses.

23 (f) ~~(k)~~ The Department may adopt any administrative rule
24 consistent with the language and intent of this Act that may be
25 necessary for the implementation and enforcement of this
26 Section.

1 (Source: P.A. 99-227, eff. 8-3-15; 100-188, eff. 1-1-18.)

2 (225 ILCS 454/30-25)

3 (Section scheduled to be repealed on January 1, 2020)

4 Sec. 30-25. Licensing of education provider instructors.

5 (a) No person shall act as either a pre-license or
6 continuing education instructor without possessing a valid
7 pre-license or continuing education instructor license and
8 satisfying any other qualification criteria established by the
9 Department by rule.

10 (a-5) Each person that is an instructor for pre-license,
11 continuing education core curriculum, or broker management
12 education courses shall meet specific criteria established by
13 the Department by rule. Those persons who have not met the
14 criteria shall only teach continuing education elective
15 curriculum courses.

16 (b) Every person who desires to obtain an education
17 provider instructor's license shall attend and successfully
18 complete a one-day instructor development workshop, as
19 approved by the Department. However, pre-license instructors
20 who have complied with subsection (b) of this Section 30-25
21 shall not be required to complete the instructor workshop in
22 order to teach continuing education elective curriculum
23 courses.

24 (b-5) The term of licensure for a pre-license or continuing
25 education instructor shall be 2 years ~~and as established by~~

1 ~~rule~~. Every person who desires to obtain a pre-license or
2 continuing education instructor license shall make application
3 to the Department in writing on forms prescribed by the
4 Department, accompanied by the fee prescribed by rule. In
5 addition to any other information required to be contained in
6 the application, every application for an original license
7 shall include the applicant's Social Security number, which
8 shall be retained in the agency's records pertaining to the
9 license. As soon as practical, the Department shall assign a
10 customer's identification number to each applicant for a
11 license.

12 Every application for a renewal or restored license shall
13 require the applicant's customer identification number.

14 The Department shall issue a pre-license or continuing
15 education instructor license to applicants who meet
16 qualification criteria established by this Act or rule.

17 (c) The Department may refuse to issue, suspend, revoke, or
18 otherwise discipline a pre-license or continuing education
19 instructor for good cause. Disciplinary proceedings shall be
20 conducted by the Board in the same manner as other disciplinary
21 proceedings under this Act. All pre-license instructors must
22 teach at least one pre-license or continuing education core
23 curriculum course within the period of licensure as a
24 requirement for renewal of the instructor's license. All
25 continuing education instructors must teach at least one course
26 within the period of licensure or take an instructor training

1 program approved by the Department in lieu thereof as a
2 requirement for renewal of the instructor's license.

3 (d) Each course transcript submitted by an education
4 provider to the Department shall include the name and license
5 number of the pre-license or continuing education instructor
6 for the course.

7 (e) Licensed education provider instructors may teach for
8 more than one licensed education provider.

9 (f) The Department may adopt any administrative rule
10 consistent with the language and intent of this Act that may be
11 necessary for the implementation and enforcement of this
12 Section.

13 (Source: P.A. 100-188, eff. 1-1-18.)

14 (225 ILCS 454/10-35 rep.)

15 (225 ILCS 454/20-22 rep.)

16 (225 ILCS 454/25-37 rep.)

17 Section 15. The Real Estate License Act of 2000 is amended
18 by repealing Sections 10-35, 20-22, and 25-37.

19 Section 99. Effective date. This Act takes effect upon
20 becoming law."