



Rep. Robert Rita

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LRB101 07705 AMC 60378 a

1 AMENDMENT TO SENATE BILL 1872

2 AMENDMENT NO. _____. Amend Senate Bill 1872 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 Acts repealed on January 1, 2020.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8 Acts are repealed on January 1, 2020: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 Act repealed on January 1, 2030.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9 Act is repealed on January 1, 2030: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 1-5, 1-10, 5-5, 5-6, 5-7, 5-10, 5-15,
13 5-20, 5-25, 5-27, 5-28, 5-35, 5-40, 5-41, 5-45, 5-50, 5-60,
14 5-70, 5-75, 10-5, 10-10, 10-15, 10-20, 10-30, 10-35, 15-5,
15 15-10, 15-15, 15-25, 15-35, 15-45, 15-50, 15-65, 15-75, 20-5,
16 20-10, 20-15, 20-20, 20-21, 20-22, 20-25, 20-60, 20-64, 20-65,
17 20-66, 20-72, 20-75, 20-85, 20-90, 25-15, 25-21, 25-25, 30-5,
18 30-15, and 30-25 and by adding Sections 5-29, 10-50, 10-55, and
19 20-20.1 as follows:

20 (225 ILCS 454/1-5)

21 (Section scheduled to be repealed on January 1, 2020)

22 Sec. 1-5. Legislative intent. The intent of the General
23 Assembly in enacting this statute is to evaluate the competency

1 of persons engaged in the real estate profession ~~business~~ and
2 to regulate their activities ~~this business~~ for the protection
3 of the public.

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

5 (225 ILCS 454/1-10)

6 (Section scheduled to be repealed on January 1, 2020)

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

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

10 "Address of record" means the designated address recorded
11 by the Department in the applicant's or licensee's application
12 file or license file as maintained by the ~~Department's~~
13 ~~licensure maintenance unit. It is the duty of the applicant or~~
14 ~~licensee to inform the Department of any change of address, and~~
15 ~~those changes must be made either through the Department's~~
16 ~~website or by contacting the~~ Department.

17 "Agency" means a relationship in which a broker or
18 licensee, whether directly or through an affiliated licensee,
19 represents a consumer by the consumer's consent, whether
20 express or implied, in a real property transaction.

21 "Applicant" means any person, as defined in this Section,
22 who applies to the Department for a valid license as a managing
23 broker, broker, or residential leasing agent.

24 "Blind advertisement" means any real estate advertisement
25 that is used by a licensee regarding the sale or lease of real

1 estate, licensed activities, or the hiring of any licensee
2 under this Act that does not include the sponsoring broker's
3 complete business name or, in the case of electronic
4 advertisements, does not provide a direct link to a display
5 with all the required disclosures ~~and that is used by any~~
6 ~~licensee regarding the sale or lease of real estate, licensed~~
7 ~~activities, or the hiring of any licensee under this Act.~~ The
8 broker's business name in the case of a franchise shall include
9 the franchise affiliation as well as the name of the individual
10 firm.

11 "Board" means the Real Estate Administration and
12 Disciplinary Board of the Department as created by Section
13 25-10 of this Act.

14 ~~"Branch office" means a sponsoring broker's office other~~
15 ~~than the sponsoring broker's principal office.~~

16 "Broker" means an individual, entity, corporation, foreign
17 or domestic partnership, limited liability company, registered
18 limited liability partnership, or other business entity other
19 than a residential leasing agent who, whether in person or
20 through any media or technology, for another and for
21 compensation, or with the intention or expectation of receiving
22 compensation, either directly or indirectly:

23 (1) Sells, exchanges, purchases, rents, or leases real
24 estate.

25 (2) Offers to sell, exchange, purchase, rent, or lease
26 real estate.

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

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

6 (5) Whether for another or themselves, engages in a
7 pattern of business of buying, selling, offering to buy or
8 sell, marketing for sale, exchanging, or otherwise dealing
9 in contracts, including assignable contracts for the
10 purchase or sale of, or ~~buys, sells, offers to buy or sell,~~
11 ~~or otherwise deals in~~ options on real estate or
12 improvements thereon. For purposes of this definition, an
13 individual or entity will be found to have engaged in a
14 pattern of business if the individual or entity by itself
15 or with any combination of other individuals or entities,
16 whether as partners or common owners in another entity, has
17 engaged in one or more of these practices on 2 or more
18 occasions in any 12-month period.

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

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

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

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

4 (10) Opens real estate to the public for marketing
5 purposes.

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

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

12 "Brokerage agreement" means a written or oral agreement
13 between a sponsoring broker and a consumer for licensed
14 activities to be provided to a consumer in return for
15 compensation or the right to receive compensation from another.
16 Brokerage agreements may constitute either a bilateral or a
17 unilateral agreement between the broker and the broker's client
18 depending upon the content of the brokerage agreement. All
19 exclusive brokerage agreements shall be in writing.

20 "Broker price opinion" means an estimate or analysis of the
21 probable selling price of a particular interest in real estate,
22 which may provide a varying level of detail about the
23 property's condition, market, and neighborhood and information
24 on comparable sales. The activities of a real estate broker or
25 managing broker engaging in the ordinary course of business as
26 a broker, as defined in this Section, shall not be considered a

1 broker price opinion if no compensation is paid to the broker
2 or managing broker, other than compensation based upon the sale
3 or rental of real estate. A broker price opinion shall not be
4 considered an appraisal within the meaning of the Real Estate
5 Appraiser Licensing Act of 2002, any amendment to that Act, or
6 any successor Act.

7 "Client" means a person who is being represented by a
8 licensee.

9 "Comparative market analysis" means ~~is~~ an analysis or
10 opinion regarding pricing, marketing, or financial aspects
11 relating to a specified interest or interests in real estate
12 that may be based upon an analysis of comparative market data,
13 the expertise of the real estate broker or managing broker, and
14 such other factors as the broker or managing broker may deem
15 appropriate in developing or preparing such analysis or
16 opinion. The activities of a real estate broker or managing
17 broker engaging in the ordinary course of business as a broker,
18 as defined in this Section, shall not be considered a
19 comparative market analysis if no compensation is paid to the
20 broker or managing broker, other than compensation based upon
21 the sale or rental of real estate. A comparative market
22 analysis shall not be considered an appraisal within the
23 meaning of the Real Estate Appraiser Licensing Act of 2002, any
24 amendment to that Act, or any successor Act.

25 "Compensation" means the valuable consideration given by
26 one person or entity to another person or entity in exchange

1 for the performance of some activity or service. Compensation
2 shall include the transfer of valuable consideration,
3 including without limitation the following:

4 (1) commissions;

5 (2) referral fees;

6 (3) bonuses;

7 (4) prizes;

8 (5) merchandise;

9 (6) finder fees;

10 (7) performance of services;

11 (8) coupons or gift certificates;

12 (9) discounts;

13 (10) rebates;

14 (11) a chance to win a raffle, drawing, lottery, or
15 similar game of chance not prohibited by any other law or
16 statute;

17 (12) retainer fee; or

18 (13) salary.

19 "Confidential information" means information obtained by a
20 licensee from a client during the term of a brokerage agreement
21 that (i) was made confidential by the written request or
22 written instruction of the client, (ii) deals with the
23 negotiating position of the client, or (iii) is information the
24 disclosure of which could materially harm the negotiating
25 position of the client, unless at any time:

26 (1) the client permits the disclosure of information

1 given by that client by word or conduct;

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

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

5 "Confidential information" shall not be considered to
6 include material information about the physical condition of
7 the property.

8 "Consumer" means a person or entity seeking or receiving
9 licensed activities.

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

12 "Credit hour" means 50 minutes of ~~classroom~~ instruction in
13 course work that meets the requirements set forth in rules
14 adopted by the Department.

15 "Customer" means a consumer who is not being represented by
16 the licensee ~~but for whom the licensee is performing~~
17 ~~ministerial acts.~~

18 "Department" means the Department of Financial and
19 Professional Regulation.

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

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

1 "Designated managing broker" means a managing broker who
2 has supervisory responsibilities for licensees in one or, in
3 the case of a multi-office company, more than one office and
4 who has been appointed as such by the sponsoring broker
5 registered with the Department.

6 "Director" means the Director of Real Estate within the
7 Department of Financial and Professional Regulation.

8 "Dual agency" means an agency relationship in which a
9 licensee is representing both buyer and seller or both landlord
10 and tenant in the same transaction. When the agency
11 relationship is a designated agency, the question of whether
12 there is a dual agency shall be determined by the agency
13 relationships of the designated agent of the parties and not of
14 the sponsoring broker.

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

18 "Employee" or other derivative of the word "employee", when
19 used to refer to, describe, or delineate the relationship
20 between a sponsoring broker and a managing broker, broker, or a
21 residential leasing agent, shall be construed to include an
22 independent contractor relationship, provided that a written
23 agreement exists that clearly establishes and states the
24 relationship. ~~All responsibilities of a broker shall remain.~~

25 "Escrow moneys" means all moneys, promissory notes or any
26 other type or manner of legal tender or financial consideration

1 deposited with any person for the benefit of the parties to the
2 transaction. A transaction exists once an agreement has been
3 reached and an accepted real estate contract signed or lease
4 agreed to by the parties. Escrow moneys includes without
5 limitation earnest moneys and security deposits, except those
6 security deposits in which the person holding the security
7 deposit is also the sole owner of the property being leased and
8 for which the security deposit is being held.

9 "Electronic means of proctoring" means a methodology
10 providing assurance that the person taking a test and
11 completing the answers to questions is the person seeking
12 licensure or credit for continuing education and is doing so
13 without the aid of a third party or other device.

14 "Exclusive brokerage agreement" means a written brokerage
15 agreement that provides that the sponsoring broker has the sole
16 right, through one or more sponsored licensees, to act as the
17 exclusive ~~designated~~ agent or representative of the client and
18 that meets the requirements of Section 15-75 of this Act.

19 "Inactive" ~~"Inoperative"~~ means a status of licensure where
20 the licensee holds a current license under this Act, but the
21 licensee is prohibited from engaging in licensed activities
22 because the licensee is unsponsored or the license of the
23 sponsoring broker with whom the licensee is associated or by
24 whom he or she is employed is currently expired, revoked,
25 suspended, or otherwise rendered invalid under this Act. The
26 license of any business entity that is not in good standing

1 with the Illinois Secretary of State, or is not authorized to
2 conduct business in Illinois, shall immediately become
3 inactive and that entity shall be prohibited from engaging in
4 any licensed activities.

5 ~~"Interactive delivery method" means delivery of a course by~~
6 ~~an instructor through a medium allowing for 2 way communication~~
7 ~~between the instructor and a student in which either can~~
8 ~~initiate or respond to questions.~~

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

11 ~~"Leasing Agent" means a person who is employed by a broker~~
12 ~~to engage in licensed activities limited to leasing residential~~
13 ~~real estate who has obtained a license as provided for in~~
14 ~~Section 5 5 of this Act.~~

15 "License" means the privilege conferred ~~document issued~~ by
16 the Department to a ~~certifying that the person that named~~
17 ~~thereon~~ has fulfilled all requirements prerequisite to any type
18 of licensure under this Act.

19 "Licensed activities" means those activities listed in the
20 definition of "broker" under this Section.

21 "Licensee" means any person, as defined in this Section,
22 who holds a valid unexpired license as a managing broker,
23 broker, or residential leasing agent.

24 "Listing presentation" means any a communication, written
25 or oral and by any means or media, between a managing broker or
26 broker and a consumer in which the licensee is attempting to

1 secure a brokerage agreement with the consumer to market the
2 consumer's real estate for sale or lease.

3 "Managing broker" means a licensee who may be authorized to
4 assume ~~broker who has supervisory~~ responsibilities as a
5 designated managing broker for licensees in one or, in the case
6 of a multi-office company, more than one office, upon
7 appointment by the sponsoring broker and registration with the
8 Department and who has been appointed as such by the sponsoring
9 broker. A managing broker may act as his or her own sponsor.

10 "Medium of advertising" means any method of communication
11 intended to influence the general public to use or purchase a
12 particular good or service or real estate, including, but not
13 limited to, print, electronic, social media, and digital
14 forums.

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

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

9 "Office" means a broker's place of business where the
10 general public is invited to transact business and where
11 records may be maintained and licenses displayed, whether or
12 not it is the broker's principal place of business.

13 "Person" means and includes individuals, entities,
14 corporations, limited liability companies, registered limited
15 liability partnerships, foreign and domestic partnerships, and
16 other business entities, except that when the context otherwise
17 requires, the term may refer to a single individual or other
18 described entity.

19 ~~"Personal assistant" means a licensed or unlicensed person~~
20 ~~who has been hired for the purpose of aiding or assisting a~~
21 ~~sponsored licensee in the performance of the sponsored~~
22 ~~licensee's job.~~

23 ~~"Pocket card" means the card issued by the Department to~~
24 ~~signify that the person named on the card is currently licensed~~
25 ~~under this Act.~~

26 ~~"Pre renewal period" means the period between the date of~~

1 ~~issue of a currently valid license and the license's expiration~~
2 ~~date.~~

3 "Proctor" means any person, including, but not limited to,
4 an instructor, who has a written agreement to administer
5 examinations fairly and impartially with a licensed education
6 provider.

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

15 "Regular employee" means a person working an average of 20
16 hours per week for a person or entity who would be considered
17 as an employee under the Internal Revenue Service rules for
18 classifying workers ~~eleven main tests in three categories being~~
19 ~~behavioral control, financial control and the type of~~
20 ~~relationship of the parties, formerly the twenty factor test.~~

21 "Renewal period" means the period beginning 90 days prior
22 to the expiration date of a license.

23 "Residential leasing agent" means a person who is employed
24 by a broker to engage in licensed activities limited to leasing
25 residential real estate who has obtained a license as provided
26 for in Section 5-5 of this Act.

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

4 "Sponsoring broker" means the broker who certifies to the
5 Department his, her, or its sponsorship of ~~has issued a sponsor~~
6 ~~card to~~ a licensed managing broker, broker, or a residential
7 leasing agent.

8 "Sponsorship" ~~"Sponsor card"~~ means that a sponsoring
9 broker has certified to the Department that a ~~the temporary~~
10 ~~permit issued by the sponsoring broker certifying that the~~
11 managing broker, broker, or residential leasing agent named
12 thereon is employed by or associated by written agreement with
13 the sponsoring broker and the Department has registered the
14 sponsorship, as provided for in Section 5-40 of this Act.

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

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

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

2 Sec. 5-5. Residential leasing ~~Leasing~~ agent license.

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

9 (b) Notwithstanding the other provisions of this Act, there
10 is hereby created a residential leasing agent license that
11 shall enable the licensee to engage only in residential leasing
12 activities for which a license is required under this Act. Such
13 activities include leasing or renting residential real
14 property, or attempting, offering, or negotiating to lease or
15 rent residential real property, or supervising the collection,
16 offer, attempt, or agreement to collect rent for the use of
17 residential real property. Nothing in this Section shall be
18 construed to require a licensed managing broker or broker to
19 obtain a residential leasing agent license in order to perform
20 leasing activities for which a license is required under this
21 Act. Licensed residential leasing agents, including those
22 operating under subsection (d), may engage in activities
23 enumerated within the definition of "residential leasing
24 agent" in Section 1-10 of this Act and may not engage in any
25 activity that would otherwise require a broker's license,
26 including, but not limited to, selling, offering for sale,

1 negotiating for sale, listing or showing for sale, or referring
2 for sale or commercial lease real estate. Licensed residential
3 leasing agents must be sponsored and employed by a sponsoring
4 broker.

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

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

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

2 (225 ILCS 454/5-6)

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

4 Sec. 5-6. Social Security Number or Tax Identification
5 Number on license application. In addition to any other
6 information required to be contained in the application, every
7 application for an original license under this Act shall
8 include the applicant's Social Security Number or Tax
9 Identification Number, which shall be retained in the agency's
10 records pertaining to the license. As soon as practical, the
11 Department shall assign a separate and distinct ~~customer's~~
12 identification number to each applicant for a license.

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

15 (Source: P.A. 96-856, eff. 12-31-09; 97-400, eff. 1-1-12.)

16 (225 ILCS 454/5-7)

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

18 Sec. 5-7. Application for residential leasing agent
19 license. Every person who desires to obtain a residential
20 leasing agent license shall apply to the Department in a manner
21 prescribed ~~writing on forms provided~~ by the Department which
22 application shall be accompanied by the required
23 non-refundable fee. Any such application shall require such
24 information as in the judgment of the Department will enable

1 the Department to pass on the qualifications of the applicant
2 for licensure.

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

4 (225 ILCS 454/5-10)

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

6 Sec. 5-10. Requirements for license as a residential
7 leasing agent; continuing education.

8 (a) Every applicant for licensure as a residential leasing
9 agent must meet the following qualifications:

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

11 (2) be of good moral character;

12 (3) successfully complete a 4-year course of study in a
13 high school or secondary school or an equivalent course of
14 study approved by the state in which the school is located,
15 or possess a high school equivalency certificate, which
16 shall be verified under oath by the applicant ~~the Illinois~~
17 ~~State Board of Education;~~

18 (4) personally take and pass a written examination
19 authorized by the Department sufficient to demonstrate the
20 applicant's knowledge of the provisions of this Act
21 relating to residential leasing agents and the applicant's
22 competence to engage in the activities of a licensed
23 residential leasing agent;

24 (5) provide satisfactory evidence of having completed
25 15 hours of instruction in an approved course of study

1 relating to the leasing of residential real property. The
2 Board ~~may shall~~ recommend to the Department the number of
3 hours each topic of study shall require. The course of
4 study shall, among other topics, cover the provisions of
5 this Act applicable to residential leasing agents; fair
6 housing and human rights issues relating to residential
7 leasing; advertising and marketing issues; leases,
8 applications, and credit and criminal background reports;
9 owner-tenant relationships and owner-tenant laws; the
10 handling of funds; and environmental issues relating to
11 residential real property;

12 (6) complete any other requirements as set forth by
13 rule; and

14 (7) present a valid application for issuance of an
15 initial license accompanied by ~~a sponsor card and the~~ fees
16 specified by rule.

17 (b) No applicant shall engage in any of the activities
18 covered by this Act without a valid license and until a valid
19 sponsorship has been registered with the Department ~~sponsor~~
20 ~~card has been issued to such applicant. The sponsor card shall~~
21 ~~be valid for a maximum period of 45 days after the date of~~
22 ~~issuance unless extended for good cause as provided by rule.~~

23 (c) Successfully completed course work, completed pursuant
24 to the requirements of this Section, may be applied to the
25 course work requirements to obtain a managing broker's or
26 broker's license as provided by rule. The Board may recommend

1 to the Department and the Department may adopt requirements for
2 approved courses, course content, and the approval of courses,
3 instructors, and education providers, as well as education
4 provider and instructor fees. The Department may establish
5 continuing education requirements for residential licensed
6 leasing agents, by rule, consistent with the language and
7 intent of this Act, with the advice of the Board.

8 (d) The continuing education requirement for residential
9 leasing agents shall consist of a single core curriculum to be
10 prescribed ~~established~~ by the Department as recommended by the
11 Board. Leasing agents shall be required to complete no less
12 than 8 ~~6~~ hours of continuing education in the core curriculum
13 for each 2-year renewal period. The curriculum shall, at a
14 minimum, consist of a single course or courses on the subjects
15 of fair housing and human rights issues related to residential
16 leasing, advertising and marketing issues, leases,
17 applications, credit reports, and criminal history, the
18 handling of funds, owner-tenant relationships and owner-tenant
19 laws, and environmental issues relating to residential real
20 estate.

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

22 (225 ILCS 454/5-15)

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

24 Sec. 5-15. Necessity of managing broker, broker, or
25 residential leasing agent license ~~or sponsor card~~; ownership

1 restrictions.

2 (a) It is unlawful for any person, as defined in Section
3 1-10, to act as a managing broker, broker, or residential
4 leasing agent or to advertise or assume to act as such managing
5 broker, broker or residential leasing agent without a ~~properly~~
6 ~~issued sponsor card or a~~ license issued in accordance with
7 ~~under~~ this Act and a valid sponsorship registered with ~~by~~ the
8 Department, either directly or through its authorized
9 designee.

10 (b) No corporation shall be granted a license or engage in
11 the business or capacity, either directly or indirectly, of a
12 broker, unless every officer of the corporation who actively
13 participates in the real estate activities of the corporation
14 holds a license as a managing broker or broker and unless every
15 employee who acts as a managing broker, broker, or residential
16 leasing agent for the corporation holds a license as a managing
17 broker, broker, or residential leasing agent. All
18 nonparticipating owners or officers shall submit affidavits of
19 nonparticipation as required by the Department. No corporation
20 shall be granted a license if any nonparticipating owner or
21 officer has previously been publicly disciplined by the
22 Department resulting in that licensee being currently barred
23 from real estate practice because of a suspension or
24 revocation.

25 (c) No partnership shall be granted a license or engage in
26 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 or broker and unless every employee who acts as a
5 managing broker, broker, or residential leasing agent for the
6 partnership holds a license as a managing broker, broker, or
7 residential leasing agent. All nonparticipating partners shall
8 submit affidavits of nonparticipation as required by the
9 Department. In the case of a registered limited liability
10 partnership (LLP), every partner in the LLP that actively
11 participates in the real estate activities of the limited
12 liability partnership must hold a license as a managing broker
13 or broker and every employee who acts as a managing broker,
14 broker, or residential leasing agent must hold a license as a
15 managing broker, broker, or residential leasing agent. All
16 nonparticipating limited liability partners shall submit
17 affidavits of nonparticipation as required by the Department.
18 No partnership shall be granted a license if any
19 nonparticipating partner has previously been publicly
20 disciplined by the Department resulting in that licensee being
21 currently barred from real estate practice because of a
22 suspension or revocation.

23 (d) No limited liability company shall be granted a license
24 or engage in the business or serve in the capacity, either
25 directly or indirectly, of a broker unless every member or
26 manager in the limited liability company that actively

1 participates in the real estate activities of the limited
2 liability company holds a license as a managing broker or
3 broker and unless every other member and employee who acts as a
4 managing broker, broker, or residential leasing agent for the
5 limited liability company holds a license as a managing broker,
6 broker, or residential leasing agent. All nonparticipating
7 members or managers shall submit affidavits of
8 nonparticipation as required by the Department. No limited
9 liability company shall be granted a license if any
10 nonparticipating member or manager has previously been
11 publicly disciplined by the Department resulting in that
12 licensee being currently barred from real estate practice
13 because of a suspension or revocation.

14 (e) (Blank).

15 (f) No person, partnership, or business entity shall be
16 granted a license if any ~~participating~~ owner, officer,
17 director, partner, limited liability partner, member, or
18 manager has been denied a real estate license by the Department
19 in the previous 5 years or is otherwise currently barred from
20 real estate practice because of a suspension or revocation.

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

22 (225 ILCS 454/5-20)

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

24 Sec. 5-20. Exemptions from managing broker, broker, or
25 residential leasing agent license requirement; Department

1 exemption from education provider and related licenses. The
2 requirement for holding a license under this Article 5 shall
3 not apply to:

4 (1) Any person, as defined in Section 1-10, that as
5 owner or lessor performs any of the acts described in the
6 definition of "broker" under Section 1-10 of this Act with
7 reference to property owned or leased by it, or to the
8 regular employees thereof with respect to the property so
9 owned or leased, where such acts are performed in the
10 regular course of or as an incident to the management,
11 sale, or other disposition of such property and the
12 investment therein, if ~~provided that~~ such regular
13 employees do not perform any of the acts described in the
14 definition of "broker" under Section 1-10 of this Act in
15 connection with a vocation of selling or leasing any real
16 estate or the improvements thereon not so owned or leased.

17 (2) An attorney in fact acting under a duly executed
18 and recorded power of attorney to convey real estate from
19 the owner or lessor or the services rendered by an attorney
20 at law in the performance of the attorney's duty as an
21 attorney at law.

22 (3) Any person acting as receiver, trustee in
23 bankruptcy, administrator, executor, or guardian or while
24 acting under a court order or under the authority of a will
25 or testamentary trust.

26 (4) Any person acting as a resident manager for the

1 owner or any employee acting as the resident manager for a
2 broker managing an apartment building, duplex, or
3 apartment complex, when the resident manager resides on the
4 premises, the premises is his or her primary residence, and
5 the resident manager is engaged in the leasing of the
6 property of which he or she is the resident manager.

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

9 (6) Any officer or employee of the State government or
10 any political subdivision thereof performing official
11 duties.

12 (7) Any multiple listing service or other similar
13 information exchange that is engaged in the collection and
14 dissemination of information concerning real estate
15 available for sale, purchase, lease, or exchange for the
16 purpose of providing licensees with a system by which
17 licensees may cooperatively share information along with
18 which no other licensed activities, as defined in Section
19 1-10 of this Act, are provided.

20 (8) Railroads and other public utilities regulated by
21 the State of Illinois, or the officers or full-time ~~full~~
22 ~~time~~ employees thereof, unless the performance of any
23 licensed activities is in connection with the sale,
24 purchase, lease, or other disposition of real estate or
25 investment therein that does not require ~~not needing~~ the
26 approval of the appropriate State regulatory authority.

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

5 (10) Any resident lessee of a residential dwelling unit
6 who refers for compensation to the owner of the dwelling
7 unit, or to the owner's agent, prospective lessees of
8 dwelling units in the same building or complex as the
9 resident lessee's unit, but only if the resident lessee (i)
10 refers no more than 3 prospective lessees in any 12-month
11 period, (ii) receives compensation of no more than \$5,000
12 ~~\$1,500~~ or the equivalent of 2 months' ~~one month's~~ rent,
13 whichever is less, in any 12-month period, and (iii) limits
14 his or her activities to referring prospective lessees to
15 the owner, or the owner's agent, and does not show a
16 residential dwelling unit to a prospective lessee, discuss
17 terms or conditions of leasing a dwelling unit with a
18 prospective lessee, or otherwise participate in the
19 negotiation of the leasing of a dwelling unit.

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

24 (12) (Blank).

25 (13) Any person who is licensed without examination
26 under Section 10-25 (now repealed) of the Auction License

1 Act is exempt from holding a managing broker's or broker's
2 license under this Act for the limited purpose of selling
3 or leasing real estate at auction, so long as:

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

6 (B) that person verifies to the Department that he
7 or she has sold real estate at auction for a period of
8 5 years prior to licensure as an auctioneer;

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

11 (D) the license issued under the Auction License
12 Act has not been disciplined for violation of those
13 provisions of Article 20 of the Auction License Act
14 dealing with or related to the sale or lease of real
15 estate at auction.

16 (14) A person who holds a valid license under the
17 Auction License Act and a valid real estate auction
18 certification and conducts auctions for the sale of real
19 estate under Section 5-32 of this Act.

20 (15) A hotel operator who is registered with the
21 Illinois Department of Revenue and pays taxes under the
22 Hotel Operators' Occupation Tax Act and rents a room or
23 rooms in a hotel as defined in the Hotel Operators'
24 Occupation Tax Act for a period of not more than 30
25 consecutive days and not more than 60 days in a calendar
26 year or a person who participates in an online marketplace

1 enabling persons to rent out all or part of the person's
2 owned residence.

3 (16) Notwithstanding any provisions to the contrary,
4 the Department and its employees shall be exempt from
5 education, course provider, instructor, and course license
6 requirements and fees while acting in an official capacity
7 on behalf of the Department. Courses offered by the
8 Department shall be eligible for continuing education
9 credit.

10 (Source: P.A. 99-227, eff. 8-3-15; 100-534, eff. 9-22-17;
11 100-831, eff. 1-1-19.)

12 (225 ILCS 454/5-25)

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

14 Sec. 5-25. Good moral character.

15 (a) When an applicant has had his or her license revoked on
16 a prior occasion or when an applicant is found to have
17 committed any of the practices enumerated in Section 20-20 of
18 this Act or when an applicant has been convicted of or enters a
19 plea of guilty or nolo contendere to forgery, embezzlement,
20 obtaining money under false pretenses, larceny, extortion,
21 conspiracy to defraud, or any other similar offense or offenses
22 or has been convicted of a felony involving moral turpitude in
23 any court of competent jurisdiction in this or any other state,
24 district, or territory of the United States or of a foreign
25 country, the Board may consider the prior revocation, conduct,

1 or conviction in its determination of the applicant's moral
2 character and whether to grant the applicant a license. ~~In its~~
3 ~~consideration of the prior revocation, conduct, or conviction,~~
4 ~~the Board shall take into account the nature of the conduct,~~
5 ~~any aggravating or extenuating circumstances, the time elapsed~~
6 ~~since the revocation, conduct, or conviction, the~~
7 ~~rehabilitation or restitution performed by the applicant, and~~
8 ~~any other factors that the Board deems relevant. When an~~
9 ~~applicant has made a false statement of material fact on his or~~
10 ~~her application, the false statement may in itself be~~
11 ~~sufficient grounds to revoke or refuse to issue a license.~~

12 (b) In its consideration of the prior revocation, conduct,
13 or conviction, the Board shall take into account the nature of
14 the conduct, any aggravating or extenuating circumstances, the
15 time elapsed since the revocation, conduct, or conviction, the
16 rehabilitation or restitution performed by the applicant,
17 mitigating factors, and any other factors that the Board deems
18 relevant, including, but not limited to:

19 (1) the lack of direct relation of the offense for
20 which the applicant was previously convicted to the duties,
21 functions, and responsibilities of the position for which a
22 license is sought;

23 (2) unless otherwise specified, whether 5 years since a
24 felony conviction or 3 years since release from confinement
25 for the conviction, whichever is later, have passed without
26 a subsequent conviction;

1 (3) if the applicant was previously licensed or
2 employed in this State or other states or jurisdictions,
3 the lack of prior misconduct arising from or related to the
4 licensed position or position of employment;

5 (4) the age of the person at the time of the criminal
6 offense;

7 (5) if, due to the applicant's criminal conviction
8 history, the applicant would be explicitly prohibited by
9 federal rules or regulations from working in the position
10 for which a license is sought;

11 (6) successful completion of sentence and, for
12 applicants serving a term of parole or probation, a
13 progress report provided by the applicant's probation or
14 parole officer that documents the applicant's compliance
15 with conditions of supervision;

16 (7) evidence of the applicant's present fitness and
17 professional character;

18 (8) evidence of rehabilitation or rehabilitative
19 effort during or after incarceration, or during or after a
20 term of supervision, including, but not limited to, a
21 certificate of good conduct under Section 5-5.5-25 of the
22 Unified Code of Corrections or a certificate of relief from
23 disabilities under Section 5-5.5-10 of the Unified Code of
24 Corrections; and

25 (9) any other mitigating factors that contribute to the
26 person's potential and current ability to perform the job

1 duties.

2 (c) The Department shall not require applicants to report
3 the following information and shall not consider the following
4 criminal history records in connection with an application for
5 licensure or registration:

6 (1) juvenile adjudications of delinquent minors as
7 defined in Section 5-105 of the Juvenile Court Act of 1987
8 subject to the restrictions set forth in Section 5-130 of
9 that Act;

10 (2) law enforcement records, court records, and
11 conviction records of an individual who was 17 years old at
12 the time of the offense and before January 1, 2014, unless
13 the nature of the offense required the individual to be
14 tried as an adult;

15 (3) records of arrests not followed by a charge or
16 conviction;

17 (4) records of arrests where the charges were dismissed
18 unless related to the practice of the profession; however,
19 applicants shall not be asked to report any arrests, and an
20 arrest not followed by a conviction shall not be the basis
21 of a denial and may be used only to assess an applicant's
22 rehabilitation;

23 (5) convictions overturned by a higher court; or

24 (6) convictions or arrests that have been sealed or
25 expunged.

26 (d) If an applicant makes a false statement of material

1 fact on his or her application, the false statement may in
2 itself be sufficient grounds to revoke or refuse to issue a
3 license.

4 (e) A licensee shall report to the Department, in a manner
5 adopted by rule, any plea of guilty, or nolo contendere to
6 forgery, embezzlement, obtaining money under false pretenses,
7 larceny, extortion, conspiracy to defraud, or any similar
8 offense or offenses or any conviction of a felony involving
9 moral turpitude that occurs during the licensee's term of
10 licensure.

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

12 (225 ILCS 454/5-27)

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

14 Sec. 5-27. Requirements for licensure as a broker.

15 (a) Every applicant for licensure as a broker must meet the
16 following qualifications:

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

24 (2) Be of good moral character;

25 (3) Successfully complete a 4-year course of study in a

1 high school or secondary school approved by the state in
2 which the school is located, or possess a high school
3 equivalency certificate, Illinois State Board of Education
4 ~~or an equivalent course of study as determined by an~~
5 ~~examination conducted by the Illinois State Board of~~
6 ~~Education~~ which shall be verified under oath by the
7 applicant;

8 (4) (Blank);

9 (5) Provide satisfactory evidence of having completed
10 75 ~~90~~ hours of instruction in real estate courses approved
11 by the Department, 15 hours of which must consist of
12 situational and case studies presented in the classroom or
13 by live, interactive webinar or online distance education
14 courses;

15 (6) Personally take and pass a written examination
16 authorized by the Department;

17 (7) Present a valid application for issuance of a
18 license accompanied by ~~a sponsor card~~ and the fees
19 specified by rule.

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

24 (c) No applicant shall engage in any of the activities
25 covered by this Act until a valid sponsorship has been
26 registered with the Department ~~sponsor card has been issued to~~

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

4 (d) All licenses should be readily available to the public
5 at the licensee's ~~their~~ place of business.

6 (e) An individual holding an active license as a managing
7 broker may, upon written request to the Department, permanently
8 and irrevocably place his or her managing broker license on
9 inactive status ~~return the license to the Department along with~~
10 ~~a form provided by the Department~~ and shall be issued a
11 broker's license in exchange. Any individual obtaining a
12 broker's license under this subsection (e) shall be considered
13 as having obtained a broker's license by education and passing
14 the required test and shall be treated as such in determining
15 compliance with this Act.

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

17 (225 ILCS 454/5-28)

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

19 Sec. 5-28. Requirements for licensure as a managing broker.

20 (a) Every applicant for licensure as a managing broker must
21 meet the following qualifications:

22 (1) be at least 20 ~~21~~ years of age;

23 (2) be of good moral character;

24 (3) have been licensed at least 2 consecutive years out
25 of the preceding 3 years as a broker;

1 (4) successfully complete a 4-year course of study in
2 high school or secondary school approved by the state in
3 which the school is located, or a high school equivalency
4 certificate ~~Illinois State Board of Education or an~~
5 ~~equivalent course of study as determined by an examination~~
6 ~~conducted by the Illinois State Board of Education, which~~
7 shall be verified under oath by the applicant;

8 (5) provide satisfactory evidence of having completed
9 at least 165 hours, 120 of which shall be those hours
10 required pre-licensure ~~pre~~ and post-licensure to obtain a
11 broker's license, and 45 additional hours completed within
12 the year immediately preceding the filing of an application
13 for a managing broker's license, which hours shall focus on
14 brokerage administration and management and residential
15 leasing agent management and include at least 15 hours in
16 the classroom or by live, interactive webinar or online
17 distance education courses;

18 (6) personally take and pass a written examination
19 authorized by the Department; and

20 (7) submit ~~present~~ a valid application for issuance of
21 a license accompanied by ~~a sponsor card, an appointment as~~
22 ~~a managing broker, and~~ the fees specified by rule.

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

1 ~~(c) No applicant shall act as a managing broker for more~~
2 ~~than 90 days after an appointment as a managing broker has been~~
3 ~~filed with the Department without obtaining a managing broker's~~
4 ~~license.~~

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

6 (225 ILCS 454/5-29 new)

7 Sec. 5-29. Temporary practice as a designated managing
8 broker. Upon the loss of a designated managing broker who is
9 not replaced by the sponsoring broker or in the event of the
10 death or adjudicated disability of the sole proprietor of an
11 office, a written request for authorization allowing the
12 continued operation of the office may be submitted to the
13 Department within 15 days of the loss. The Department may issue
14 a written authorization allowing the continued operation,
15 provided that a licensed managing broker or, in the case of the
16 death or adjudicated disability of a sole proprietor, the
17 representative of the estate, assumes responsibility, in
18 writing, for the operation of the office and agrees to
19 personally supervise the operation of the office. No such
20 written authorization shall be valid for more than 60 days
21 unless extended by the Department for good cause shown and upon
22 written request by the broker or representative.

23 (225 ILCS 454/5-35)

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

1 Sec. 5-35. Examination; managing broker, broker, or
2 residential leasing agent.

3 (a) The Department shall authorize examinations at such
4 times and places as it may designate. The examination shall be
5 of a character to give a fair test of the qualifications of the
6 applicant to practice as a managing broker, broker, or
7 residential leasing agent. Applicants for examination as a
8 managing broker, broker, or residential leasing agent shall be
9 required to pay, either to the Department or the designated
10 testing service, a fee covering the cost of providing the
11 examination. Failure to appear for the examination on the
12 scheduled date, at the time and place specified, after the
13 applicant's application for examination has been received and
14 acknowledged by the Department or its ~~the~~ designated testing
15 service, shall result in the forfeiture of the examination fee.
16 An applicant shall be eligible to take the examination only
17 after successfully completing the education requirements and
18 attaining the minimum age provided for in Article 5 of this
19 Act. Each applicant shall be required to establish compliance
20 with the eligibility requirements in the manner provided by the
21 rules promulgated for the administration of this Act.

22 (b) If a person who has received a passing score on the
23 written examination described in this Section fails to submit
24 ~~file~~ an application and meet all requirements for a license
25 under this Act within one year after receiving a passing score
26 on the examination, credit for the examination shall terminate.

1 The person thereafter may make a new application for
2 examination.

3 (c) If an applicant has failed an examination 4 consecutive
4 times, the applicant must repeat the pre-license education
5 required to sit for that ~~the~~ examination. For the purposes of
6 this Section, the fifth attempt shall be the same as the first.
7 Approved education, as prescribed by this Act for licensure as
8 a managing broker, broker, or residential leasing agent, shall
9 be valid for 2 ~~4~~ years after the date of satisfactory
10 completion of the education.

11 (d) The Department may employ consultants for the purposes
12 of preparing and conducting examinations.

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

14 (225 ILCS 454/5-40)

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

16 Sec. 5-40. Sponsorship; establishing and terminating
17 sponsorship ~~Sponsor card; termination indicated by license~~
18 ~~endorsement; association with new broker.~~

19 (a) The sponsoring broker shall notify the Department, in a
20 manner prescribed by the Department, of each licensee employed
21 by or associated with the sponsoring broker within 24 hours
22 after establishing a sponsorship ~~prepare upon forms provided by~~
23 ~~the Department and deliver to each licensee employed by or~~
24 ~~associated with the sponsoring broker a sponsor card certifying~~
25 ~~that the person whose name appears thereon is in fact employed~~

1 ~~by or associated with the sponsoring broker. The sponsoring~~
2 ~~broker shall send a duplicate of each sponsor card, along with~~
3 ~~a valid license or other authorization as provided by rule and~~
4 ~~the appropriate fee, to the Department within 24 hours of~~
5 ~~issuance of the sponsor card. It is a violation of this Act for~~
6 ~~any broker to issue a sponsor card to any licensee or applicant~~
7 ~~unless the licensee or applicant presents in hand a valid~~
8 ~~license or other authorization as provided by rule.~~

9 (b) When a licensee terminates his or her employment or
10 association with a sponsoring broker or the employment is
11 terminated by the sponsoring broker, the person or entity
12 initiating the termination shall notify the Department, in a
13 manner prescribed by the Department, of the termination within
14 24 hours ~~licensee shall obtain from the sponsoring broker his~~
15 ~~or her license endorsed by the sponsoring broker indicating the~~
16 ~~termination. The sponsoring broker shall surrender to the~~
17 ~~Department a copy of the license of the licensee within 2 days~~
18 ~~of the termination or shall notify the Department in writing of~~
19 ~~the termination and explain why a copy of the license is not~~
20 ~~surrendered. Failure to timely notify the Department of the~~
21 termination shall subject the person or entity initiating the
22 termination of the sponsoring broker to surrender the license
23 ~~shall subject the sponsoring broker to discipline under Section~~
24 20-20 of this Act. The license of any licensee whose
25 association with a sponsoring broker is terminated shall
26 automatically become inactive ~~inoperative~~ immediately upon the

1 termination, and the licensee shall not be authorized to
2 practice until a new valid sponsorship is registered with the
3 Department unless the licensee accepts employment or becomes
4 associated with a new sponsoring broker pursuant to subsection
5 (c) of this Section.

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

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

15 (225 ILCS 454/5-41)

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

17 Sec. 5-41. Licensee contact information ~~Change of address.~~
18 An applicant or A licensee shall inform ~~notify~~ the Department
19 of any change of address, email address, telephone number, or
20 office location within 24 hours after any such change. A
21 licensee shall notify the Department of any such change either
22 through the Department's website or by other means prescribed
23 by the Department ~~the address or addresses, and of every change~~
24 ~~of address, where the licensee practices as a leasing agent,~~
25 ~~broker or managing broker.~~

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

2 (225 ILCS 454/5-45)

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

4 Sec. 5-45. Offices.

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

14 (b) The sponsoring broker shall name a designated managing
15 broker for each ~~branch~~ office and the sponsoring broker shall
16 be responsible for supervising all designated managing
17 brokers. The sponsoring broker shall notify the Department in a
18 manner prescribed by the Department ~~writing~~ of the name of all
19 designated managing brokers of the sponsoring broker and the
20 office or offices they manage. ~~Any person initially named as a~~
21 ~~managing broker after April 30, 2011 must either (i) be~~
22 ~~licensed as a managing broker or (ii) meet all the requirements~~
23 ~~to be licensed as a managing broker except the required~~
24 ~~education and examination and secure the managing broker's~~
25 ~~license within 90 days of being named as a managing broker.~~ Any

1 changes in designated managing brokers shall be reported to the
2 Department in a manner prescribed by the Department ~~writing~~
3 within 15 days of the change. Failure to do so shall subject
4 the sponsoring broker to discipline under Section 20-20 of this
5 Act.

6 (c) The sponsoring broker shall, within 24 hours,
7 ~~immediately~~ notify the Department in a manner prescribed by the
8 Department ~~writing~~ of any opening, closing, or change in
9 location of any ~~principal or branch~~ office.

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

1 separated from the other business ~~by a separate~~ and is situated
2 within a distinct area within the establishment.

3 (e) A broker who is licensed in this State by examination
4 or pursuant to the provisions of Section 5-60 of this Act shall
5 not be required to maintain a definite office or place of
6 business in this State provided all of the following conditions
7 are met:

8 (1) the broker maintains an active broker's license in
9 the broker's state of domicile;

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

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

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

24 ~~(c) Upon the loss of a managing broker who is not replaced~~
25 ~~by the sponsoring broker or in the event of the death or~~
26 ~~adjudicated disability of the sole proprietor of an office, a~~

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

13 (f) The Department may adopt rules to permit and regulate
14 the operation of virtual offices that do not have a fixed
15 location.

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

17 (225 ILCS 454/5-50)

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

19 Sec. 5-50. Expiration and renewal of managing broker,
20 broker, or residential leasing agent license; sponsoring
21 broker; register of licensees; ~~pocket card.~~

22 (a) The expiration date and renewal period for each license
23 issued under this Act shall be set by rule. Except as otherwise
24 provided in this Section, the holder of a license may renew the
25 license within 90 days preceding the expiration date thereof by

1 completing the continuing education required by this Act and
2 paying the fees specified by rule.

3 (b) An individual whose first license is that of a broker
4 received on or after the effective date of this amendatory Act
5 of the 101st General Assembly ~~the effective date of this~~
6 ~~amendatory Act of the 100th General Assembly~~, must provide
7 evidence of having completed 45 ~~30~~ hours of post-license
8 education ~~in courses recommended by the Board and approved by~~
9 ~~the Department, 15 hours of which must consist of situational~~
10 ~~and case studies~~ presented in a classroom or a live,
11 interactive webinar, or online distance education course, and
12 which shall require passage of a final examination ~~or home~~
13 ~~study course. Credit for courses taken through a home study~~
14 ~~course shall require passage of an examination approved by the~~
15 ~~Department prior to the first renewal of their broker's~~
16 ~~license.~~

17 The Board may recommend, and the Department shall approve,
18 45 hours of post-license education, consisting of three 15-hour
19 post-license courses, one each that covers applied brokerage
20 principles, risk management/discipline, and transactional
21 issues. Each of the courses shall require its own 50-question
22 final examination, which shall be administered by the education
23 provider that delivers the course.

24 Individuals whose first license is that of a broker
25 received on or after the effective date of this amendatory Act
26 of the 101st General Assembly, must complete all three 15-hour

1 courses and successfully pass a course final examination for
2 each course prior to the date of the next broker renewal
3 deadline, except for those individuals who receive their first
4 license within the 180 days preceding the next broker renewal
5 deadline, who must complete all three 15-hour courses and
6 successfully pass a course final examination for each course
7 prior to the second broker renewal deadline that follows the
8 receipt of their license.

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

1 (d) Notwithstanding any other provisions of this Act to the
2 contrary, any managing broker, broker, or residential leasing
3 agent whose license expired while he or she was (i) on active
4 duty with the Armed Forces of the United States or called into
5 service or training by the state militia, (ii) engaged in
6 training or education under the supervision of the United
7 States preliminary to induction into military service, or (iii)
8 serving as the Coordinator of Real Estate in the State of
9 Illinois or as an employee of the Department may have his or
10 her license renewed, reinstated or restored without paying any
11 lapsed renewal fees if within 2 years after the termination of
12 the service, training or education by furnishing the Department
13 with satisfactory evidence of service, training, or education
14 and it has been terminated under honorable conditions.

15 ~~(e) The Department shall establish and maintain a register~~
16 ~~of all persons currently licensed by the State and shall issue~~
17 ~~and prescribe a form of pocket card. Upon payment by a licensee~~
18 ~~of the appropriate fee as prescribed by rule for engagement in~~
19 ~~the activity for which the licensee is qualified and holds a~~
20 ~~license for the current period, the Department shall issue a~~
21 ~~pocket card to the licensee. The pocket card shall be~~
22 ~~verification that the required fee for the current period has~~
23 ~~been paid and shall indicate that the person named thereon is~~
24 ~~licensed for the current renewal period as a managing broker,~~
25 ~~broker, or leasing agent as the case may be. The pocket card~~
26 ~~shall further indicate that the person named thereon is~~

1 ~~authorized by the Department to engage in the licensed activity~~
2 ~~appropriate for his or her status (managing broker, broker, or~~
3 ~~leasing agent).~~ Each licensee shall carry on his or her person
4 his or her license or an electronic version thereof ~~pocket card~~
5 ~~or, if such pocket card has not yet been issued, a properly~~
6 ~~issued sponsor card when engaging in any licensed activity and~~
7 ~~shall display the same on demand.~~

8 (f) The Department shall provide to the sponsoring broker a
9 notice of renewal for all sponsored licensees by mailing the
10 notice to the sponsoring broker's address of record, or, at the
11 Department's discretion, emailing the notice to the sponsoring
12 broker's email address of record ~~by an electronic means as~~
13 ~~provided for by rule.~~

14 (g) Upon request from the sponsoring broker, the Department
15 shall make available to the sponsoring broker, ~~either by mail~~
16 ~~or~~ ~~by an~~ electronic means at the discretion of the Department,
17 a listing of licensees under this Act who, according to the
18 records of the Department, are sponsored by that broker. Every
19 licensee associated with or employed by a broker whose license
20 is revoked, suspended, ~~terminated,~~ or expired shall be
21 considered inactive ~~as inoperative~~ until such time as the
22 sponsoring broker's license is reinstated or renewed, or the
23 licensee changes employment as set forth in subsection (c) of
24 Section 5-40 of this Act.

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

1 (225 ILCS 454/5-60)

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

3 Sec. 5-60. Managing broker licensed in another state;
4 broker licensed in another state; reciprocal agreements; agent
5 for service of process.

6 (a) ~~A Effective May 1, 2011, a~~ managing broker's license
7 may be issued by the Department to a managing broker or its
8 equivalent licensed under the laws of another state of the
9 United States, under the following conditions:

10 (1) the managing broker holds a managing broker's
11 license in a state that has entered into a reciprocal
12 agreement with the Department;

13 (2) the standards for that state for licensing as a
14 managing broker are substantially equal to or greater than
15 the minimum standards in the State of Illinois;

16 (3) the managing broker has been actively practicing as
17 a managing broker in the managing broker's state of
18 licensure for a period of not less than 2 years,
19 immediately prior to the date of application;

20 (4) the managing broker furnishes the Department with a
21 statement under seal of the proper licensing authority of
22 the state in which the managing broker is licensed showing
23 that the managing broker has an active managing broker's
24 license, that the managing broker is in good standing, and
25 that no complaints are pending against the managing broker
26 in that state;

1 (5) the managing broker passes a test on Illinois
2 specific real estate brokerage laws; and

3 (6) the managing broker was licensed by an examination
4 in the state that has entered into a reciprocal agreement
5 with the Department.

6 (b) A broker's license may be issued by the Department to a
7 broker or its equivalent licensed under the laws of another
8 state of the United States, under the following conditions:

9 (1) the broker holds a broker's license in a state that
10 has entered into a reciprocal agreement with the
11 Department;

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

15 (3) (blank); ~~if the application is made prior to May 1,~~
16 ~~2012, then the broker has been actively practicing as a~~
17 ~~broker in the broker's state of licensure for a period of~~
18 ~~not less than 2 years, immediately prior to the date of~~
19 ~~application;~~

20 (4) the broker furnishes the Department with a
21 statement under seal of the proper licensing authority of
22 the state in which the broker is licensed showing that the
23 broker has an active broker's license, that the broker is
24 in good standing, and that no complaints are pending
25 against the broker in that state;

26 (5) the broker passes a test on Illinois specific real

1 estate brokerage laws; and

2 (6) the broker was licensed by an examination in a
3 state that has entered into a reciprocal agreement with the
4 Department.

5 (c) (Blank).

6 (d) As a condition precedent to the issuance of a license
7 to a managing broker or broker pursuant to this Section, the
8 managing broker or broker shall agree in writing to abide by
9 all the provisions of this Act with respect to his or her real
10 estate activities within the State of Illinois and submit to
11 the jurisdiction of the Department as provided in this Act. The
12 agreement shall be filed with the Department and shall remain
13 in force for so long as the managing broker or broker is
14 licensed by this State and thereafter with respect to acts or
15 omissions committed while licensed as a managing broker or
16 broker in this State.

17 (e) Prior to the issuance of any license to any managing
18 broker or broker pursuant to this Section, verification of
19 active licensure issued for the conduct of such business in any
20 other state must be filed with the Department by the managing
21 broker or broker, and the same fees must be paid as provided in
22 this Act for the obtaining of a managing broker's or broker's
23 license in this State.

24 (f) Licenses previously granted under reciprocal
25 agreements with other states shall remain in force so long as
26 the Department has a reciprocal agreement with the state that

1 includes the requirements of this Section, unless that license
2 is suspended, revoked, or terminated by the Department for any
3 reason provided for suspension, revocation, or termination of a
4 resident licensee's license. Licenses granted under reciprocal
5 agreements may be renewed in the same manner as a resident's
6 license.

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

1 licensee.

2 (h) Any person holding a valid license under this Section
3 shall be eligible to obtain a managing broker's license or a
4 broker's license without examination should that person change
5 their state of domicile to Illinois and that person otherwise
6 meets the qualifications for licensure under this Act.

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

8 (225 ILCS 454/5-70)

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

10 Sec. 5-70. Continuing education requirement; managing
11 broker or broker.

12 (a) The requirements of this Section apply to all managing
13 brokers and brokers.

14 (b) Except as otherwise provided in this Section, each
15 person who applies for renewal of his or her license as a
16 managing broker or broker must successfully complete 12 ~~6~~ hours
17 of real estate continuing education courses recommended by the
18 Board and approved by the Department during the current term of
19 the license ~~for each year of the pre-renewal period~~. In
20 addition, ~~beginning with the pre-renewal period for managing~~
21 ~~broker licensees that begins after the effective date of this~~
22 ~~Act,~~ those licensees renewing or obtaining a managing broker's
23 license must successfully complete a 12-hour broker management
24 continuing education course approved by the Department during
25 the current term of the license ~~each pre-renewal period~~. The

1 broker management continuing education course must be
2 completed in the classroom or through a live, by other
3 interactive webinar or online distance education format
4 ~~delivery method between the instructor and the students.~~
5 ~~Successful completion of the course shall include achieving a~~
6 ~~passing score as provided by rule on a test developed and~~
7 ~~administered in accordance with rules adopted by the~~
8 ~~Department.~~ No license may be renewed except upon the
9 successful completion of the required courses or their
10 equivalent or upon a waiver of those requirements for good
11 cause shown as determined by the Secretary upon ~~with~~ the
12 recommendation of the Board. The requirements of this Article
13 are applicable to all managing brokers and brokers except those
14 managing brokers and brokers who, during the renewal
15 ~~pre renewal~~ period:

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

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

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

19 (4) are admitted to practice law pursuant to Illinois
20 Supreme Court rule.

21 (c) (Blank).

22 (d) A person receiving an initial license during the 90
23 days before the renewal date shall not be required to complete
24 the continuing education courses provided for in subsection (b)
25 of this Section as a condition of initial license renewal.

26 (e) The continuing education requirement for brokers and

1 managing brokers shall consist of a single core curriculum and
2 an elective curriculum, to be recommended by the Board and
3 approved by the Department in accordance with this subsection.
4 The core curriculum shall not be further divided into
5 subcategories or divisions of instruction. The core curriculum
6 shall consist of 4 hours during the current term of the license
7 ~~per 2 year pre renewal period~~ on subjects that may include, but
8 are not limited to, advertising, agency, disclosures, escrow,
9 fair housing, residential leasing agent management, and
10 license law. The amount of time allotted to each of these
11 subjects shall be recommended by the Board and determined by
12 the Department. The Department, upon the recommendation of the
13 Board, shall review the core curriculum every 4 years, at a
14 minimum, and shall revise the curriculum if necessary. However,
15 the core curriculum's total hourly requirement shall only be
16 subject to change by amendment of this subsection, and any
17 change to the core curriculum shall not be effective for a
18 period of 6 months after such change is made by the Department.
19 The Department shall provide notice to all approved education
20 providers of any changes to the core curriculum. When
21 determining whether revisions of the core curriculum's
22 subjects or specific time requirements are necessary, the Board
23 shall consider recent changes in applicable laws, new laws, and
24 areas of the license law and the Department policy that the
25 Board deems appropriate, and any other subject areas the Board
26 deems timely and applicable in order to prevent violations of

1 this Act and to protect the public. In establishing a
2 recommendation to the Department regarding the elective
3 curriculum, the Board shall consider subjects that cover the
4 various aspects of the practice of real estate that are covered
5 under the scope of this Act.

6 (f) The subject areas of continuing education courses
7 recommended by the Board and approved by the Department shall
8 be meant to protect the professionalism of the industry, the
9 consumer, and the public and prevent violations of this Act and
10 may include without limitation the following:

11 (1) license law and escrow;

12 (2) antitrust;

13 (3) fair housing;

14 (4) agency;

15 (5) appraisal;

16 (6) property management;

17 (7) residential brokerage;

18 (8) farm property management;

19 (9) transaction management rights and duties of
20 parties in a transaction ~~sellers, buyers, and brokers;~~

21 (10) commercial brokerage and leasing;

22 (11) real estate financing;

23 (12) disclosures;

24 (13) residential leasing agent management; ~~and~~

25 (14) advertising;~~;~~

26 (15) broker supervision and managing broker

1 responsibility;

2 (16) professional conduct; and

3 (17) use of technology.

4 (g) In lieu of credit for those courses listed in
5 subsection (f) of this Section, credit may be earned for
6 serving as a licensed instructor in an approved course of
7 continuing education. The amount of credit earned for teaching
8 a course shall be the amount of continuing education credit for
9 which the course is approved for licensees taking the course.

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

12 (i) A managing broker or broker may earn credit for a
13 specific continuing education course only once during the
14 current term of the license ~~pre renewal period~~.

15 (j) No more than 12 ~~6~~ hours of continuing education credit
16 may be taken in one calendar day.

17 (k) To promote the offering of a uniform and consistent
18 course content, the Department may provide for the development
19 of a single broker management course to be offered by all
20 education providers who choose to offer the broker management
21 continuing education course. The Department may contract for
22 the development of the 12-hour broker management continuing
23 education course with an outside vendor or consultant and, if
24 the course is developed in this manner, the Department or the
25 outside consultant shall license the use of that course to all
26 approved education providers who wish to provide the course.

1 (1) Except as specifically provided in this Act, continuing
2 education credit hours may not be earned for completion of
3 pre-license ~~pre~~ or post-license courses. The courses
4 comprising the approved 45-hour ~~30-hour~~ post-license
5 curriculum ~~course~~ for broker licensees shall satisfy the
6 continuing education requirement for the ~~pre-renewal~~ period in
7 which the courses are ~~course is~~ taken. The approved 45-hour
8 brokerage administration and management course shall satisfy
9 the 12-hour broker management continuing education requirement
10 for the license term ~~pre-renewal period~~ in which the course is
11 taken.

12 (Source: P.A. 99-227, eff. 8-3-15; 99-728, eff. 1-1-17;
13 100-188, eff. 1-1-18.)

14 (225 ILCS 454/5-75)

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

16 Sec. 5-75. Out-of-state continuing education credit. If a
17 renewal applicant has earned continuing education hours in
18 another state or territory for which he or she is claiming
19 credit toward full compliance in Illinois, ~~the Board shall~~
20 ~~review and recommend to~~ the Department may ~~whether it should~~
21 approve those hours based upon whether the course is one that
22 would be approved under Section 5-70 of this Act, whether the
23 course meets the basic requirements for continuing education
24 under this Act, and any other criteria that are ~~is~~ provided by
25 statute or rule.

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

2 (225 ILCS 454/10-5)

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

4 Sec. 10-5. Payment of compensation.

5 (a) No licensee shall pay compensation directly to a
6 licensee sponsored by another sponsoring broker for the
7 performance of licensed activities. No licensee sponsored by a
8 broker may pay compensation to any licensee other than his or
9 her sponsoring broker for the performance of licensed
10 activities unless the licensee paying the compensation is a
11 principal to the transaction. However, a non-sponsoring broker
12 may pay compensation directly to a licensee sponsored by
13 another or a person who is not sponsored by a broker if the
14 payments are made pursuant to terms of an employment agreement
15 that was previously in place between a licensee and the
16 non-sponsoring broker, and the payments are for licensed
17 activity performed by that person while previously sponsored by
18 the now non-sponsoring broker.

19 (b) No licensee sponsored by a broker shall accept
20 compensation for the performance of activities under this Act
21 except from the broker by whom the licensee is sponsored,
22 except as provided in this Section.

23 (c) (Blank). ~~Any person that is a licensed personal~~
24 ~~assistant for another licensee may only be compensated in his~~
25 ~~or her capacity as a personal assistant by the sponsoring~~

1 ~~broker for that licensed personal assistant.~~

2 (d) One sponsoring broker may pay compensation directly to
3 another sponsoring broker for the performance of licensed
4 activities.

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

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

10 (225 ILCS 454/10-10)

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

12 Sec. 10-10. Disclosure of compensation.

13 (a) A licensee must disclose to a client the sponsoring
14 broker's compensation and policy with regard to cooperating
15 with brokers who represent other parties in a transaction.

16 (b) A licensee must disclose to a client all sources of
17 compensation related to the transaction received by the
18 licensee from a third party.

19 (c) If a licensee refers a client to a third party in which
20 the licensee has greater than a 1% ownership interest or from
21 which the licensee receives or may receive dividends or other
22 profit sharing distributions, other than a publicly held or
23 traded company, for the purpose of the client obtaining
24 services related to the transaction, then the licensee shall
25 disclose that fact to the client at the time of making the

1 referral.

2 (d) If in any one transaction a sponsoring broker receives
3 compensation from both the buyer and seller or lessee and
4 lessor of real estate, the sponsoring broker shall disclose in
5 writing to a client the fact that the compensation is being
6 paid by both buyer and seller or lessee and lessor.

7 (e) Nothing in the Act shall prohibit the cooperation with
8 or a payment of compensation to an individual domiciled in any
9 other state ~~a person not domiciled in this State~~ or country who
10 is licensed as a broker in his or her state or country of
11 domicile or to a resident of a country that does not require a
12 person to be licensed to act as a broker if the person complies
13 with the laws of the country in which that person resides and
14 practices there as a broker.

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

16 (225 ILCS 454/10-15)

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

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

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

23 (b) No action or suit shall be instituted, nor recovery
24 therein be had, in any court of this State by any person for
25 compensation for any act done or service performed, the doing

1 or performing of which is prohibited by this Act to other than
2 licensed managing brokers, brokers, or residential leasing
3 agents unless the person was duly licensed hereunder as a
4 managing broker, broker, or residential leasing agent under
5 this Act at the time that any such act was done or service
6 performed that would give rise to a cause of action for
7 compensation.

8 (c) A licensee may offer compensation, including prizes,
9 merchandise, services, rebates, discounts, or other
10 consideration to an unlicensed person who is a party to a
11 contract to buy or sell real estate or is a party to a contract
12 for the lease of real estate, so long as the offer complies
13 with the provisions of subdivision (35) of subsection (a) of
14 Section 20-20 of this Act.

15 (d) A licensee may offer cash, gifts, prizes, awards,
16 coupons, merchandise, rebates or chances to win a game of
17 chance, if not prohibited by any other law or statute, to a
18 consumer as an inducement to that consumer to use the services
19 of the licensee even if the licensee and consumer do not
20 ultimately enter into a broker-client relationship so long as
21 the offer complies with the provisions of subdivision (35) of
22 subsection (a) of Section 20-20 of this Act.

23 (e) A licensee shall not pay compensation to an unlicensed
24 person who is not or will not become a party to a real estate
25 transaction in exchange for a referral of real estate services.

26 (f) Nothing in this Section shall be construed as waiving

1 or abrogating the provisions of the Real Estate Settlement
2 Procedures Act (RESPA), 88 Stat. 1724.

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

4 (225 ILCS 454/10-20)

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

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

7 (a) A licensee may perform activities as a licensee only
8 for his or her sponsoring broker. A licensee must have only one
9 sponsoring broker at any one time.

10 (b) Every broker who employs licensees or has an
11 independent contractor relationship with a licensee shall have
12 a written employment or independent contractor agreement with
13 each such licensee. The broker having this written employment
14 or independent contractor agreement with the licensee must be
15 that licensee's sponsoring broker.

16 (c) Every sponsoring broker must have a written employment
17 or independent contractor agreement with each licensee the
18 broker sponsors. The agreement shall address the employment or
19 independent contractor relationship terms, including without
20 limitation supervision, duties, compensation, and termination
21 process.

22 (d) (Blank). ~~Every sponsoring broker must have a written~~
23 ~~employment agreement with each licensed personal assistant who~~
24 ~~assists a licensee sponsored by the sponsoring broker. This~~
25 ~~requirement applies to all licensed personal assistants~~

1 ~~whether or not they perform licensed activities in their~~
2 ~~capacity as a personal assistant. The agreement shall address~~
3 ~~the employment or independent contractor relationship terms,~~
4 ~~including without limitation supervision, duties,~~
5 ~~compensation, and termination.~~

6 (e) Notwithstanding the fact that a sponsoring broker has
7 an employment or independent contractor agreement with a
8 licensee, a sponsoring broker may pay compensation directly to
9 a business entity solely owned by that licensee that has been
10 formed for the purpose of receiving compensation earned by the
11 licensee. A business entity that receives compensation from a
12 sponsoring broker as provided for ~~formed for the purpose stated~~
13 in this subsection (e) shall not be required to be licensed
14 under this Act and must either be owned solely by the licensee
15 or by the licensee together with the licensee's spouse, but
16 only if the spouse and licensee are both licensed and sponsored
17 by the same sponsoring broker or the spouse is not also
18 licensed ~~so long as the person that is the sole owner of the~~
19 ~~business entity is licensed.~~

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

21 (225 ILCS 454/10-30)

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

23 Sec. 10-30. Advertising.

24 (a) No advertising, whether in print, via the Internet, or
25 through social media, digital forums, or any other media, shall

1 be fraudulent, deceptive, inherently misleading, or proven to
2 be misleading in practice. Advertising shall be considered
3 misleading or untruthful if, when taken as a whole, there is a
4 distinct and reasonable possibility that it will be
5 misunderstood or will deceive the ordinary consumer ~~purchaser,~~
6 ~~seller, lessee, lessor, or owner~~. Advertising shall contain all
7 information necessary to communicate the information contained
8 therein to the public in an accurate, direct, and readily
9 comprehensible manner. Team names may not contain inherently
10 misleading terms, such as "company", "realty", "real estate",
11 "agency", "associates", "brokers", "properties", or
12 "property".

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
23 accessible to the consumer and disclosed to persons
24 responding to any advertisement or any sign. The term
25 "broker owned" or "agent owned" is sufficient disclosure.

26 (2) A sponsored or inactive ~~inoperative~~ licensee

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

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

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

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

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

7 (d) A sponsored licensee may not advertise under his or her
8 own name. Advertising in any media shall be under the direct
9 supervision of the sponsoring or designated managing broker and
10 in the sponsoring broker's business name, which in the case of
11 a franchise shall include the franchise affiliation as well as
12 the name of the individual firm. This provision does not apply
13 under the following circumstances:

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

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

24 (e) No licensee shall list his or her name ~~under the~~
25 ~~heading or title "Real Estate" in the telephone directory~~ or
26 otherwise advertise in his or her own name to the general

1 public through any medium of advertising as being in the real
2 estate business without listing his or her sponsoring broker's
3 business name.

4 (f) The sponsoring broker's business name and the name of
5 the licensee must appear in all advertisements, including
6 business cards. In advertising that includes the sponsoring
7 broker's name and a team name or individual broker's name, the
8 sponsoring broker's business name shall be at least equal in
9 size or larger than the team name or that of the individual.
10 ~~Nothing in this Act shall be construed to require specific~~
11 ~~print size as between the broker's business name and the name~~
12 ~~of the licensee.~~

13 (g) Those individuals licensed as a managing broker and
14 designated with the Department as a designated managing broker
15 by their sponsoring broker shall identify themselves to the
16 public in advertising, except on "For Sale" or similar signs,
17 as a designated managing broker. No other individuals holding a
18 managing broker's license may hold themselves out to the public
19 or other licensees as a designated managing broker, but they
20 may hold themselves out to be a managing broker.

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

22 (225 ILCS 454/10-35)

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

24 Sec. 10-35. Internet and related advertising.

25 (a) Licensees intending to sell or share consumer

1 information gathered from or through the Internet or other
2 electronic communication media, including, but not limited to,
3 social media and digital forums, shall disclose that intention
4 to consumers in a timely and readily apparent manner.

5 (b) A licensee using Internet or other similar electronic
6 advertising media must not:

7 (1) use a URL or domain name that is deceptive or
8 misleading;

9 (2) deceptively or without authorization frame another
10 sponsoring broker's ~~real estate brokerage~~ or multiple
11 listing service website; or

12 (3) engage in phishing or the deceptive use of
13 metatags, keywords or other devices and methods to direct,
14 drive or divert Internet traffic or otherwise mislead
15 consumers.

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

17 (225 ILCS 454/10-50 new)

18 Sec. 10-50. Guaranteed sales plans.

19 (a) As used in this Section, a "guaranteed sales plan"
20 means a real estate purchase or sales plan whereby a licensee
21 enters into one or more conditional or unconditional written
22 contracts with a seller, one of which is a brokerage agreement,
23 and wherein the person agrees to purchase the seller's property
24 within a specified period of time, at a specific price, in the
25 event the property is not sold in accordance with the terms of

1 a brokerage agreement to be entered into between the sponsoring
2 broker and the seller.

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

6 (c) A licensee offering a guaranteed sales plan shall
7 provide the details, including the purchase price, and
8 conditions of the plan, in writing to the party to whom the
9 plan is offered prior to entering into the brokerage agreement.

10 (d) A licensee offering a guaranteed sales plan shall
11 provide to the party to whom the plan is offered evidence of
12 sufficient financial resources to satisfy the commitment to
13 purchase undertaken by the broker in the plan.

14 (e) A licensee offering a guaranteed sales plan shall
15 undertake to market the property of the seller subject to the
16 plan in the same manner in which the broker would market any
17 other property, unless the agreement with the seller provides
18 otherwise.

19 (f) The licensee may not purchase seller's property until
20 the period for offering the property for sale has ended
21 according to its terms or is otherwise terminated.

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

1 (225 ILCS 454/10-55 new)

2 Sec. 10-55. Designated managing broker responsibility and
3 supervision.

4 (a) A designated managing broker shall be responsible for
5 the supervision of all licensees associated with a designated
6 managing broker's office. A designated managing broker's
7 responsibilities include implementation of company policies,
8 the training of licensees and other employees on the company's
9 policies as well as on relevant provisions of this Act, and
10 providing assistance to all licensees in real estate
11 transactions. The designated managing broker shall be
12 responsible for, and shall supervise, all special accounts of
13 the company.

14 (b) A designated managing broker's responsibilities shall
15 further include directly handling all earnest money, escrows,
16 and contract negotiations for all transactions where the
17 designated agent for the transaction has not completed his or
18 her 45 hours of post-license education, as well as the approval
19 of all advertisements involving a licensee who has not
20 completed his or her 45 hours of post-license education.
21 Licensees that have not completed their 45 hours of
22 post-license education shall have no authority to bind the
23 sponsoring broker.

24 (225 ILCS 454/15-5)

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

2 Sec. 15-5. Legislative intent.

3 (a) The General Assembly finds that application of the
4 common law of agency to the relationships among licensees under
5 this Act ~~managing brokers and brokers~~ and consumers of real
6 estate brokerage services has resulted in misunderstandings
7 and consequences that have been contrary to the best interests
8 of the public. The General Assembly further finds that the real
9 estate brokerage industry has a significant impact upon the
10 economy of the State of Illinois and that it is in the best
11 interest of the public to provide codification of the
12 relationships between licensees under this Act ~~managing~~
13 ~~brokers and brokers~~ and consumers of real estate brokerage
14 services in order to prevent detrimental misunderstandings and
15 misinterpretations of the relationships by consumers, managing
16 brokers, and brokers and thus promote and provide stability in
17 the real estate market. This Article 15 is enacted to govern
18 the relationships between consumers of real estate brokerage
19 services and licensees under this Act ~~managing brokers and~~
20 ~~brokers~~ to the extent not governed by an individual written
21 agreement between a sponsoring broker and a consumer, providing
22 that there is a relationship other than designated agency. This
23 Article 15 applies to the exclusion of the common law concepts
24 of principal and agent and to the fiduciary duties, which have
25 been applied to managing brokers, brokers, and real estate
26 brokerage services.

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

5 (c) This Article 15 may serve as a basis for private rights
6 of action and defenses by sellers, buyers, landlords, tenants,
7 managing brokers, and brokers. The private rights of action,
8 however, do not extend to ~~the provisions of~~ any other Articles
9 of this Act.

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

11 (225 ILCS 454/15-10)

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

13 Sec. 15-10. Relationships between licensees and consumers.
14 Licensees shall be considered to be representing the consumer
15 they are working with as a designated agent for the consumer
16 unless there is a written agreement between the sponsoring
17 broker and the consumer providing that there is a different
18 relationship.†

19 ~~(1) there is a written agreement between the sponsoring~~
20 ~~broker and the consumer providing that there is a different~~
21 ~~relationship; or~~

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

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

1 (225 ILCS 454/15-15)

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

3 Sec. 15-15. Duties of licensees representing clients.

4 (a) A licensee representing a client shall:

5 (1) Perform the terms of the brokerage agreement
6 between a broker and the client.

7 (2) Promote the best interest of the client by:

8 (A) Seeking a transaction at the price and terms
9 stated in the brokerage agreement or at a price and
10 terms otherwise acceptable to the client.

11 (B) Timely presenting all offers to and from the
12 client, unless the client has waived this duty.

13 (C) Disclosing to the client material facts
14 concerning the transaction of which the licensee has
15 actual knowledge, unless that information is
16 confidential information. Material facts do not
17 include the following when located on or related to
18 real estate that is not the subject of the transaction:
19 (i) physical conditions that do not have a substantial
20 adverse effect on the value of the real estate, (ii)
21 fact situations, or (iii) occurrences and acts at the
22 property.

23 (D) Timely accounting for all money and property
24 received in which the client has, may have, or should
25 have had an interest.

26 (E) Obeying specific directions of the client that

1 are not otherwise contrary to applicable statutes,
2 ordinances, or rules.

3 (F) Acting in a manner consistent with promoting
4 the client's best interests as opposed to a licensee's
5 or any other person's self-interest.

6 (3) Exercise reasonable skill and care in the
7 performance of brokerage services.

8 (4) Keep confidential all confidential information
9 received from the client.

10 (5) Comply with all requirements of this Act and all
11 applicable statutes and regulations, including without
12 limitation fair housing and civil rights statutes.

13 (b) A licensee representing a client does not breach a duty
14 or obligation to the client by showing alternative properties
15 to prospective buyers or tenants, by showing properties in
16 which the client is interested to other prospective buyers or
17 tenants, or by making or preparing contemporaneous offers or
18 contracts to purchase or lease the same property. However, a
19 licensee shall provide written disclosure to all clients for
20 whom the licensee is preparing or making contemporaneous offers
21 or contracts to purchase or lease the same property and shall
22 refer to another designated agent any client that requests such
23 referral.

24 (c) A licensee representing a buyer or tenant client will
25 not be presumed to have breached a duty or obligation to that
26 client by working on the basis that the licensee will receive a

1 higher fee or compensation based on higher selling price or
2 lease cost.

3 (d) A licensee shall not be liable to a client for
4 providing false information to the client if the false
5 information was provided to the licensee by a customer unless
6 the licensee knew or should have known the information was
7 false.

8 (e) Nothing in the Section shall be construed as changing a
9 licensee's duty under common law as to negligent or fraudulent
10 misrepresentation of material information.

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

12 (225 ILCS 454/15-25)

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

14 Sec. 15-25. Licensee's relationship with customers. ~~(a)~~
15 Licensees shall treat all customers honestly and shall not
16 negligently or knowingly give them false information. A
17 licensee engaged by a seller client shall timely disclose to
18 customers who are prospective buyers all latent material
19 adverse facts pertaining to the physical condition of the
20 property that are actually known by the licensee and that could
21 not be discovered by a reasonably diligent inspection of the
22 property by the customer. A licensee shall not be liable to a
23 customer for providing false information to the customer if the
24 false information was provided to the licensee by the
25 licensee's client and the licensee did not have actual

1 knowledge that the information was false. No cause of action
2 shall arise on behalf of any person against a licensee for
3 revealing information in compliance with this Section.

4 ~~(b) A licensee representing a client in a real estate~~
5 ~~transaction may provide assistance to a customer by performing~~
6 ~~ministerial acts. Performing those ministerial acts shall not~~
7 ~~be construed in a manner that would violate the brokerage~~
8 ~~agreement with the client, and performing those ministerial~~
9 ~~acts for the customer shall not be construed in a manner as to~~
10 ~~form a brokerage agreement with the customer.~~

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

12 (225 ILCS 454/15-35)

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

14 Sec. 15-35. Agency relationship disclosure.

15 (a) A licensee acting as a designated agent shall advise a
16 consumer in writing, no later than beginning to work as a
17 designated agent on behalf of the consumer, of the following ~~no~~
18 ~~later than beginning to work as a designated agent on behalf of~~
19 ~~the consumer:~~

20 (1) That a designated agency relationship exists,
21 unless there is written agreement between the sponsoring
22 broker and the consumer providing for a different agency
23 ~~brokerage~~ relationship; and-

24 (2) The name or names of his or her designated agent or
25 agents on the written disclosure, which can be included in

1 a brokerage agreement or be a separate document, a copy of
2 which is retained by the real estate brokerage firm for the
3 licensee. ~~The written disclosure can be included in a~~
4 ~~brokerage agreement or be a separate document, a copy of~~
5 ~~which is retained by the sponsoring broker for the~~
6 ~~licensee.~~

7 (b) The licensee representing the consumer shall discuss
8 with the consumer the sponsoring broker's compensation and
9 policy with regard to cooperating with brokers who represent
10 other parties in a transaction.

11 (c) A licensee shall disclose in writing to a customer that
12 the licensee is not acting as the agent of the customer at a
13 time intended to prevent disclosure of confidential
14 information from a customer to a licensee, but in no event
15 later than the preparation of an offer to purchase or lease
16 real property.

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

18 (225 ILCS 454/15-45)

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

20 Sec. 15-45. Dual agency.

21 (a) An individual ~~A~~ licensee may act as a dual agent or a
22 sponsoring broker may permit one or more of its sponsored
23 licensees to act as dual agents in the same transaction only
24 with the informed written consent of all clients. Informed
25 written consent shall be presumed to have been given by any

1 client who signs a document that includes the following:

2 "The undersigned (insert name(s)), ("Licensee"), may
3 undertake a dual representation (represent both the seller
4 or landlord and the buyer or tenant) for the sale or lease
5 of property. The undersigned acknowledge they were
6 informed of the possibility of this type of representation.
7 Before signing this document please read the following:
8 Representing more than one party to a transaction presents
9 a conflict of interest since both clients may rely upon
10 Licensee's advice and the client's respective interests
11 may be adverse to each other. Licensee will undertake this
12 representation only with the written consent of ALL clients
13 in the transaction. Any agreement between the clients as to
14 a final contract price and other terms is a result of
15 negotiations between the clients acting in their own best
16 interests and on their own behalf. You acknowledge that
17 Licensee has explained the implications of dual
18 representation, including the risks involved, and
19 understand that you have been advised to seek independent
20 advice from your advisors or attorneys before signing any
21 documents in this transaction.

22 WHAT A LICENSEE CAN DO FOR CLIENTS

23 WHEN ACTING AS A DUAL AGENT

- 24 1. Treat all clients honestly.
25 2. Provide information about the property to the buyer or
26 tenant.

1 3. Disclose all latent material defects in the property
2 that are known to the Licensee.

3 4. Disclose financial qualification of the buyer or tenant
4 to the seller or landlord.

5 5. Explain real estate terms.

6 6. Help the buyer or tenant to arrange for property
7 inspections.

8 7. Explain closing costs and procedures.

9 8. Help the buyer compare financing alternatives.

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

13 WHAT LICENSEE CANNOT DISCLOSE TO CLIENTS WHEN

14 ACTING AS A DUAL AGENT

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

17 2. The price or terms the seller or landlord will take
18 other than the listing price without permission of the
19 seller or landlord.

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

22 4. A recommended or suggested price or terms the buyer or
23 tenant should offer.

24 5. A recommended or suggested price or terms the seller or
25 landlord should counter with or accept.

26 If either client is uncomfortable with this disclosure

1 and dual representation, please let Licensee know. You are
2 not required to sign this document unless you want to allow
3 Licensee to proceed as a Dual Agent in this transaction. By
4 signing below, you acknowledge that you have read and
5 understand this form and voluntarily consent to Licensee
6 acting as a Dual Agent (that is, to represent BOTH the
7 seller or landlord and the buyer or tenant) should that
8 become necessary."

9 (b) The dual agency disclosure form provided for in
10 subsection (a) of this Section must be presented by a licensee,
11 who offers dual representation, to the client at the time the
12 brokerage agreement is entered into and may be signed by the
13 client at that time or at any time before the licensee acts as
14 a dual agent as to the client.

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

1 "The undersigned confirm that they have previously
2 consented to (insert name(s)), ("Licensee"), acting as a
3 Dual Agent in providing brokerage services on their behalf
4 and specifically consent to Licensee acting as a Dual Agent
5 in regard to the transaction referred to in this document."

6 (d) No cause of action shall arise on behalf of any person
7 against a dual agent for making disclosures allowed or required
8 by this Article, and the dual agent does not terminate any
9 agency relationship by making the allowed or required
10 disclosures.

11 (e) In the case of dual agency, each client and the
12 licensee possess only actual knowledge and information. There
13 shall be no imputation of knowledge or information among or
14 between clients, brokers, or their affiliated licensees.

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

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

1 (225 ILCS 454/15-50)

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

3 Sec. 15-50. Designated agency.

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

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

21 (c) A designated agent may disclose to his or her
22 sponsoring broker or persons specified by the sponsoring broker
23 confidential information of a client for the purpose of seeking
24 advice or assistance for the benefit of the client in regard to
25 a possible transaction. Confidential information shall not be

1 disclosed by the sponsoring broker or other specified
2 representative of the sponsoring broker unless otherwise
3 required by this Act or requested or permitted by the client
4 who originally disclosed the confidential information.

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

6 (225 ILCS 454/15-65)

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

8 Sec. 15-65. Regulatory enforcement. Nothing contained in
9 this Article limits the Department in its regulation of
10 licensees under other Articles of this Act and the substantive
11 rules adopted by the Department. The Department, ~~with the~~
12 ~~advice of the Board,~~ is authorized to adopt ~~promulgate~~ any
13 rules that may be necessary for the implementation and
14 enforcement of this Article 15.

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

16 (225 ILCS 454/15-75)

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

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

22 (1) accept delivery of and present to the client offers
23 and counteroffers to buy, sell, or lease the client's
24 property or the property the client seeks to purchase or

1 lease;

2 (2) assist the client in developing, communicating,
3 negotiating, and presenting offers, counteroffers, and
4 notices that relate to the offers and counteroffers until a
5 lease or purchase agreement is signed and all contingencies
6 are satisfied or waived; and

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

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

10 (225 ILCS 454/20-5)

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

12 Sec. 20-5. Index of decisions. The Department shall
13 maintain an index of formal decisions regarding the issuance,
14 refusal to issue, renewal, refusal to renew, revocation, and
15 suspension of licenses and probationary or other disciplinary
16 action taken under this Act ~~on or after December 31, 1999~~. The
17 index shall be available to the public during regular business
18 hours.

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

20 (225 ILCS 454/20-10)

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

22 Sec. 20-10. Unlicensed practice; civil penalty.

23 (a) Any person who practices, offers to practice, attempts
24 to practice, or holds oneself out to practice as a managing

1 broker, broker, or residential leasing agent without being
2 licensed under this Act shall, in addition to any other penalty
3 provided by law, pay a civil penalty to the Department in an
4 amount not to exceed \$25,000 for each offense as determined by
5 the Department. The civil penalty shall be assessed by the
6 Department after a hearing is held in accordance with the
7 provisions set forth in this Act regarding the provision of a
8 hearing for the discipline of a license.

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

11 (c) The civil penalty shall be paid within 60 days after
12 the effective date of the order imposing the civil penalty. The
13 order shall constitute a judgment and may be filed and
14 execution had thereon in the same manner from any court of
15 record.

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

17 (225 ILCS 454/20-15)

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

19 Sec. 20-15. Violations. The commission of a single act
20 prohibited by this Act or prohibited by the rules adopted
21 ~~promulgated~~ under this Act or a violation of a disciplinary
22 order issued under this Act constitutes a violation of this
23 Act.

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

1 (225 ILCS 454/20-20)

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

3 Sec. 20-20. Nature of and grounds ~~Grounds~~ for discipline.

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

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

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

1 (3) Inability to practice the profession with
2 reasonable judgment, skill, or safety as a result of a
3 physical illness, including, but not limited to,
4 deterioration through the aging process or loss of motor
5 skill, or a mental illness or disability.

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

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

19 (6) Engaging in the practice of real estate brokerage
20 without a license or after the licensee's license or
21 temporary permit was expired or while the license was
22 inactive, revoked, or suspended ~~inoperative~~.

23 (7) Cheating on or attempting to subvert the Real
24 Estate License Exam or a continuing education course or
25 examination ~~exam~~.

26 (8) Aiding or abetting an applicant to subvert or cheat

1 on the Real Estate License Exam or continuing education
2 exam administered pursuant to this Act.

3 (9) Advertising that is inaccurate, misleading, or
4 contrary to the provisions of the Act.

5 (10) Making any substantial misrepresentation or
6 untruthful advertising.

7 (11) Making any false promises of a character likely to
8 influence, persuade, or induce.

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

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

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

18 (15) Representing or attempting to represent, or
19 performing licensed activities for, a broker other than the
20 sponsoring broker.

21 (16) Failure to account for or to remit any moneys or
22 documents coming into his or her possession that belong to
23 others.

24 (17) Failure to maintain and deposit in a special
25 account, separate and apart from personal and other
26 business accounts, all escrow moneys belonging to others

1 entrusted to a licensee while acting as a broker, escrow
2 agent, or temporary custodian of the funds of others or
3 failure to maintain all escrow moneys on deposit in the
4 account until the transactions are consummated or
5 terminated, except to the extent that the moneys, or any
6 part thereof, shall be:

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

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

1 The account shall be noninterest bearing, unless the
2 character of the deposit is such that payment of interest
3 thereon is otherwise required by law or unless the
4 principals to the transaction specifically require, in
5 writing, that the deposit be placed in an interest-bearing
6 ~~interest-bearing~~ account.

7 (18) Failure to make available to the Department all
8 escrow records and related documents maintained in
9 connection with the practice of real estate within 24 hours
10 of a request for those documents by Department personnel.

11 (19) Failing to furnish copies upon request of
12 documents relating to a real estate transaction to a party
13 who has executed that document.

14 (20) Failure of a sponsoring broker or licensee to
15 timely provide sponsorship or termination of sponsorship
16 ~~information, sponsor cards, or termination of licenses~~ to
17 the Department.

18 (21) Engaging in dishonorable, unethical, or
19 unprofessional conduct of a character likely to deceive,
20 defraud, or harm the public, including, but not limited to,
21 conduct set forth in rules adopted by the Department.

22 (22) Commingling the money or property of others with
23 his or her own money or property.

24 (23) Employing any person on a purely temporary or
25 single deal basis as a means of evading the law regarding
26 payment of commission to nonlicensees on some contemplated

1 transactions.

2 (24) Permitting the use of his or her license as a
3 broker to enable a residential leasing agent or unlicensed
4 person to operate a real estate business without actual
5 participation therein and control thereof by the broker.

6 (25) Any other conduct, whether of the same or a
7 different character from that specified in this Section,
8 that constitutes dishonest dealing.

9 (26) Displaying a "for rent" or "for sale" sign on any
10 property without the written consent of an owner or his or
11 her duly authorized agent or advertising by any means that
12 any property is for sale or for rent without the written
13 consent of the owner or his or her authorized agent.

14 (27) Failing to provide information requested by the
15 Department, or otherwise respond to that request, within 30
16 days of the request.

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

19 (29) A licensee under this Act or an unlicensed
20 individual offering ~~Offering~~ guaranteed sales plans, as
21 defined in Section 10-50 ~~clause (A) of this subdivision~~
22 ~~(29)~~, except to the extent ~~hereinafter~~ set forth in Section
23 10-50.÷

24 ~~(A) A "guaranteed sales plan" is any real estate~~
25 ~~purchase or sales plan whereby a licensee enters into a~~
26 ~~conditional or unconditional written contract with a~~

1 ~~seller, prior to entering into a brokerage agreement~~
2 ~~with the seller, by the terms of which a licensee~~
3 ~~agrees to purchase a property of the seller within a~~
4 ~~specified period of time at a specific price in the~~
5 ~~event the property is not sold in accordance with the~~
6 ~~terms of a brokerage agreement to be entered into~~
7 ~~between the sponsoring broker and the seller.~~

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

11 ~~(C) A licensee offering a guaranteed sales plan~~
12 ~~shall provide to the party to whom the plan is offered~~
13 ~~evidence of sufficient financial resources to satisfy~~
14 ~~the commitment to purchase undertaken by the broker in~~
15 ~~the plan.~~

16 ~~(D) Any licensee offering a guaranteed sales plan~~
17 ~~shall undertake to market the property of the seller~~
18 ~~subject to the plan in the same manner in which the~~
19 ~~broker would market any other property, unless the~~
20 ~~agreement with the seller provides otherwise.~~

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

24 ~~(F) Any licensee who fails to perform on a~~
25 ~~guaranteed sales plan in strict accordance with its~~
26 ~~terms shall be subject to all the penalties provided in~~

1 ~~this Act for violations thereof and, in addition, shall~~
2 ~~be subject to a civil fine payable to the party injured~~
3 ~~by the default in an amount of up to \$25,000.~~

4 (30) Influencing or attempting to influence, by any
5 words or acts, a prospective seller, purchaser, occupant,
6 landlord, or tenant of real estate, in connection with
7 viewing, buying, or leasing real estate, so as to promote
8 or tend to promote the continuance or maintenance of
9 racially and religiously segregated housing or so as to
10 retard, obstruct, or discourage racially integrated
11 housing on or in any street, block, neighborhood, or
12 community.

13 (31) Engaging in any act that constitutes a violation
14 of any provision of Article 3 of the Illinois Human Rights
15 Act, whether or not a complaint has been filed with or
16 adjudicated by the Human Rights Commission.

17 (32) Inducing any party to a contract of sale or lease
18 or brokerage agreement to break the contract of sale or
19 lease or brokerage agreement for the purpose of
20 substituting, in lieu thereof, a new contract for sale or
21 lease or brokerage agreement with a third party.

22 (33) Negotiating a sale, exchange, or lease of real
23 estate directly with any person if the licensee knows that
24 the person has an exclusive brokerage agreement with
25 another broker, unless specifically authorized by that
26 broker.

1 (34) When a licensee is also an attorney, acting as the
2 attorney for either the buyer or the seller in the same
3 transaction in which the licensee is acting or has acted as
4 a managing broker or broker.

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

18 (36) (Blank).

19 (37) Violating the terms of a disciplinary order issued
20 by the Department.

21 (38) Paying or failing to disclose compensation in
22 violation of Article 10 of this Act.

23 (39) Requiring a party to a transaction who is not a
24 client of the licensee to allow the licensee to retain a
25 portion of the escrow moneys for payment of the licensee's
26 commission or expenses as a condition for release of the

1 escrow moneys to that party.

2 (40) Disregarding or violating any provision of this
3 Act or the published rules adopted by the Department to
4 enforce this Act or aiding or abetting any individual,
5 foreign or domestic partnership, registered limited
6 liability partnership, limited liability company,
7 corporation, or other business entity in disregarding any
8 provision of this Act or the published rules adopted by the
9 Department to enforce this Act.

10 (41) Failing to provide the minimum services required
11 by Section 15-75 of this Act when acting under an exclusive
12 brokerage agreement.

13 (42) Habitual or excessive use of or addiction to
14 alcohol, narcotics, stimulants, or any other chemical
15 agent or drug that results in a managing broker, broker, or
16 residential leasing agent's inability to practice with
17 reasonable skill or safety.

18 (43) Enabling, aiding, or abetting an auctioneer, as
19 defined in the Auction License Act, to conduct a real
20 estate auction in a manner that is in violation of this
21 Act.

22 (44) Permitting any residential leasing agent or
23 temporary residential leasing agent permit holder to
24 engage in activities that require a broker's or managing
25 broker's license.

26 (45) Failing to notify the Department of any criminal

1 conviction that occurs during the licensee's term of
2 licensure within 30 days after the conviction.

3 (46) A designated managing broker's failure to provide
4 an appropriate written company policy or failure to perform
5 any of the duties set forth in Section 10-55.

6 (b) The Department may refuse to issue or renew or may
7 suspend the license of any person who fails to file a return,
8 pay the tax, penalty or interest shown in a filed return, or
9 pay any final assessment of tax, penalty, or interest, as
10 required by any tax Act administered by the Department of
11 Revenue, until such time as the requirements of that tax Act
12 are satisfied in accordance with subsection (g) of Section
13 2105-15 of the Department of Professional Regulation Law of the
14 Civil Administrative Code of Illinois.

15 (c) (Blank).

16 (d) In cases where the Department of Healthcare and Family
17 Services (formerly Department of Public Aid) has previously
18 determined that a licensee or a potential licensee is more than
19 30 days delinquent in the payment of child support and has
20 subsequently certified the delinquency to the Department may
21 refuse to issue or renew or may revoke or suspend that person's
22 license or may take other disciplinary action against that
23 person based solely upon the certification of delinquency made
24 by the Department of Healthcare and Family Services in
25 accordance with item (5) of subsection (a) of Section 2105-15
26 of the Department of Professional Regulation Law of the Civil

1 Administrative Code of Illinois.

2 (e) In enforcing this Section, the Department or Board upon
3 a showing of a possible violation may compel an individual
4 licensed to practice under this Act, or who has applied for
5 licensure under this Act, to submit to a mental or physical
6 examination, or both, as required by and at the expense of the
7 Department. The Department or Board may order the examining
8 physician to present testimony concerning the mental or
9 physical examination of the licensee or applicant. No
10 information shall be excluded by reason of any common law or
11 statutory privilege relating to communications between the
12 licensee or applicant and the examining physician. The
13 examining physicians shall be specifically designated by the
14 Board or Department. The individual to be examined may have, at
15 his or her own expense, another physician of his or her choice
16 present during all aspects of this examination. Failure of an
17 individual to submit to a mental or physical examination, when
18 directed, shall be grounds for suspension of his or her license
19 until the individual submits to the examination if the
20 Department finds, after notice and hearing, that the refusal to
21 submit to the examination was without reasonable cause.

22 If the Department or Board finds an individual unable to
23 practice because of the reasons set forth in this Section, the
24 Department or Board may require that individual to submit to
25 care, counseling, or treatment by physicians approved or
26 designated by the Department or Board, as a condition, term, or

1 restriction for continued, reinstated, or renewed licensure to
2 practice; or, in lieu of care, counseling, or treatment, the
3 Department may file, or the Board may recommend to the
4 Department to file, a complaint to immediately suspend, revoke,
5 or otherwise discipline the license of the individual. An
6 individual whose license was granted, continued, reinstated,
7 renewed, disciplined or supervised subject to such terms,
8 conditions, or restrictions, and who fails to comply with such
9 terms, conditions, or restrictions, shall be referred to the
10 Secretary for a determination as to whether the individual
11 shall have his or her license suspended immediately, pending a
12 hearing by the Department.

13 In instances in which the Secretary immediately suspends a
14 person's license under this Section, a hearing on that person's
15 license must be convened by the Department within 30 days after
16 the suspension and completed without appreciable delay. The
17 Department and Board shall have the authority to review the
18 subject individual's record of treatment and counseling
19 regarding the impairment to the extent permitted by applicable
20 federal statutes and regulations safeguarding the
21 confidentiality of medical records.

22 An individual licensed under this Act and affected under
23 this Section shall be afforded an opportunity to demonstrate to
24 the Department or Board that he or she can resume practice in
25 compliance with acceptable and prevailing standards under the
26 provisions of his or her license.

1 (Source: P.A. 99-227, eff. 8-3-15; 100-22, eff. 1-1-18;
2 100-188, eff. 1-1-18; 100-534, eff. 9-22-17; 100-831, eff.
3 1-1-19; 100-863, eff. 8-14-18; 100-872, eff. 8-14-18; revised
4 10-22-18.)

5 (225 ILCS 454/20-20.1 new)

6 Sec. 20-20.1. Citations.

7 (a) The Department may adopt rules to permit the issuance
8 of citations to any licensee for failure to comply with the
9 continuing education requirements set forth in this Act or as
10 adopted by rule. The citation shall be issued to the licensee,
11 and a copy shall be sent to his or her designated managing
12 broker and sponsoring broker. The citation shall contain the
13 licensee's name and address, the licensee's license number, the
14 number of required hours of continuing education that have not
15 been successfully completed by the licensee within the renewal
16 period, and the penalty imposed, which shall not exceed \$2,000.
17 The issuance of any such citation shall not excuse the licensee
18 from completing all continuing education required for that
19 renewal period.

20 (b) Service of a citation shall be made by in person,
21 electronically, or by mail to the licensee at the licensee's
22 address of record or email address of record, and must clearly
23 state that if the cited licensee wishes to dispute the
24 citation, he or she may make a written request, within 30 days
25 after the citation is served, for a hearing before the

1 Department. If the cited licensee does not request a hearing
2 within 30 days after the citation is served, then the citation
3 shall become a final, non-disciplinary order, and any fine
4 imposed is due and payable within 60 days after that final
5 order. If the cited licensee requests a hearing within 30 days
6 after the citation is served, the Department shall afford the
7 cited licensee a hearing conducted in the same manner as a
8 hearing provided for in this Act for any violation of this Act
9 and shall determine whether the cited licensee committed the
10 violation as charged and whether the fine as levied is
11 warranted. If the violation is found, any fine shall constitute
12 non-public discipline and be due and payable within 30 days
13 after the order of the Secretary, which shall constitute a
14 final order of the Department. No change in license status may
15 be made by the Department until such time as a final order of
16 the Department has been issued.

17 (c) Payment of a fine that has been assessed pursuant to
18 this Section shall not constitute disciplinary action
19 reportable on the Department's website or elsewhere unless a
20 licensee has previously received 2 or more citations and paid 2
21 or more fines.

22 (d) Nothing in this Section shall prohibit or limit the
23 Department from taking further action pursuant to this Act and
24 rules for additional, repeated, or continuing violations.

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

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

3 (a) If any person violates the provisions of this Act, the
4 Secretary may, in the name of the People of the State of
5 Illinois, through the Attorney General of the State of Illinois
6 or the State's Attorney for any county in which the action is
7 brought, petition for an order enjoining the violation or for
8 an order enforcing compliance with this Act. Upon the filing of
9 a verified petition in court, the court may issue a temporary
10 restraining order, without notice or condition, and may
11 preliminarily and permanently enjoin the violation. If it is
12 established that the person has violated or is violating the
13 injunction, the Court may punish the offender for contempt of
14 court. Proceedings under this Section shall be in addition to,
15 and not in lieu of, all other remedies and penalties provided
16 by this Act.

17 (b) ~~If, whenever~~ in the opinion of the Department, a person
18 violates a provision of this Act, the Department may issue a
19 ruling to show cause why an order to cease and desist should
20 not be entered against that person. The rule shall clearly set
21 forth the grounds relied upon by the Department and shall allow
22 at least 7 days from the date of the rule to file an answer to
23 the satisfaction of the Department. Failure to answer to the
24 satisfaction of the Department shall cause an order to cease
25 and desist to be issued immediately.

26 (c) Other than as provided in Section 5-20 of this Act, if

1 any person practices as a managing broker, broker, or
2 residential leasing agent or holds himself or herself out as a
3 licensed sponsoring broker, managing broker, broker, or
4 residential leasing agent under this Act without being issued a
5 valid active ~~existing~~ license by the Department, then any
6 licensed sponsoring broker, managing broker, broker,
7 residential leasing agent, any interested party, or any person
8 injured thereby may, in addition to the Secretary, petition for
9 relief as provided in subsection (a) of this Section.

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

11 (225 ILCS 454/20-22)

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

13 Sec. 20-22. Violations. Any person who is found working or
14 acting as a managing broker, broker, or residential leasing
15 agent or holding himself or herself out as a licensed
16 sponsoring broker, managing broker, broker, or residential
17 leasing agent without being issued a valid active ~~existing~~
18 license is guilty of a Class A misdemeanor and, on conviction
19 of a second or subsequent offense, the violator shall be guilty
20 of a Class 4 felony.

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

22 (225 ILCS 454/20-25)

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

24 Sec. 20-25. Returned checks and dishonored credit card

1 charges; fees. Any person who (1) delivers a check or other
2 payment to the Department that is returned to the Department
3 unpaid by the financial institution upon which it is drawn
4 shall pay to the Department; or (2) presents a credit or debit
5 card for payment that is invalid or expired or against which
6 charges by the Department are declined or dishonored, in
7 addition to the amount already owed to the Department, a fee of
8 \$50. The Department shall notify the person that payment of
9 fees and fines shall be paid to the Department by certified
10 check or money order within 30 calendar days of the
11 notification. If, after the expiration of 30 days from the date
12 of the notification, the person has failed to submit the
13 necessary remittance, the Department shall automatically
14 revoke ~~terminate~~ the license or deny the application, without
15 hearing. If, after revocation ~~termination~~ or denial, the person
16 seeks a license, he or she shall apply to the Department for
17 restoration or issuance of the license and pay all fees and
18 fines due to the Department. The Department may establish a fee
19 for the processing of an application for restoration of a
20 license to pay all expenses of processing this application. The
21 Secretary may waive the fees due under this Section in
22 individual cases where the Secretary finds that the fees would
23 be unreasonable or unnecessarily burdensome.

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

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

2 Sec. 20-60. Investigations notice and hearing. The
3 Department may investigate the actions of any applicant or of
4 any person or persons rendering or offering to render services
5 for which a license is required by this Act or any person
6 holding or claiming to hold a license under this Act and may
7 notify his or her designated managing broker and sponsoring
8 broker of the pending investigation. The Department shall,
9 before revoking, suspending, placing on probation,
10 reprimanding, or taking any other disciplinary action under
11 Article 20 of this Act, at least 30 days before the date set
12 for the hearing, (i) notify the accused and his or her
13 designated managing broker and sponsoring broker in writing of
14 the charges made and the time and place for the hearing on the
15 charges and whether the licensee's license has been temporarily
16 suspended pursuant to Section 20-65, (ii) direct the accused to
17 file a written answer to the charges with the Board under oath
18 within 20 days after the service on him or her of the notice,
19 and (iii) inform the accused that if he or she fails to answer,
20 default will be taken against him or her or that his or her
21 license may be suspended, revoked, placed on probationary
22 status, or other disciplinary action taken with regard to the
23 license, including limiting the scope, nature, or extent of his
24 or her practice, as the Department may consider proper. At the
25 time and place fixed in the notice, the Board shall proceed to
26 hear the charges and the parties or their counsel shall be

1 accorded ample opportunity to present any pertinent
2 statements, testimony, evidence, and arguments. The Board may
3 continue the hearing from time to time. In case the person,
4 after receiving the notice, fails to file an answer, his or her
5 license may, in the discretion of the Department, be suspended,
6 revoked, placed on probationary status, or the Department may
7 take whatever disciplinary action considered proper, including
8 limiting the scope, nature, or extent of the person's practice
9 or the imposition of a fine, without a hearing, if the act or
10 acts charged constitute sufficient grounds for that action
11 under this Act. The ~~written~~ notice may be served by personal
12 delivery, ~~or~~ by ~~certified~~ mail, or, at the discretion of the
13 Department, by electronic means as adopted by rule to the
14 address or email address specified by the accused in his or her
15 last notification with the Department and shall include notice
16 to the designated managing broker and sponsoring broker. A copy
17 of the Department's final order shall be delivered to the
18 designated managing broker and sponsoring broker.

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

20 (225 ILCS 454/20-64)

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

22 Sec. 20-64. Board; rehearing. At the conclusion of a
23 hearing and following deliberation by the Board, a copy of the
24 Board's report shall be served upon the applicant, ~~or~~ licensee, ~~or~~
25 or unlicensed person by the Department, either personally or as

1 provided in this Act for the service of a notice of hearing.
2 Within 20 days after service, the applicant or licensee may
3 present to the Department a motion in writing for a rehearing,
4 which shall specify the particular grounds for rehearing. The
5 Department may respond to the motion, or if a motion for
6 rehearing is denied, then upon denial, and except as provided
7 in Section 20-72 of this Act, the Secretary may enter an order
8 in accordance with the recommendations of the Board. If the
9 applicant or licensee orders from the reporting service and
10 pays for a transcript of the record within the time for filing
11 a motion for rehearing, then the 20-day period within which a
12 motion may be filed shall commence upon the delivery of the
13 transcript to the applicant or licensee.

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

15 (225 ILCS 454/20-65)

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

17 Sec. 20-65. Temporary suspension. The Secretary may
18 temporarily suspend the license of a licensee without a
19 hearing, simultaneously with the institution of proceedings
20 for a hearing provided for in Section 20-60 ~~20-61~~ of this Act,
21 if the Secretary finds that the evidence indicates that the
22 public interest, safety, or welfare imperatively requires
23 emergency action. In the event that the Secretary temporarily
24 suspends the license without a hearing before the Board, a
25 hearing shall be commenced within 30 days after the suspension

1 has occurred. The suspended licensee may seek a continuance of
2 the hearing during which the suspension shall remain in effect.
3 The proceeding shall be concluded without appreciable delay.
4 (Source: P.A. 96-856, eff. 12-31-09.)

5 (225 ILCS 454/20-66)

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

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

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

23 (225 ILCS 454/20-72)

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

1 Sec. 20-72. Secretary; rehearing. If the Secretary
2 believes that substantial justice has not been done in the
3 revocation or suspension of a license, with respect to ~~or~~
4 refusal to issue, restore, or renew a license, or any other
5 discipline of an applicant, ~~or~~ licensee, or unlicensed person,
6 then he or she may order a rehearing by the same or other
7 examiners.

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

9 (225 ILCS 454/20-75)

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

11 Sec. 20-75. Administrative Review venue.

12 (a) All final administrative decisions of the Department
13 are subject to judicial review under the Administrative Review
14 Law and its rules. The term "administrative decision" is
15 defined in Section 3-101 of the Code of Civil Procedure.

16 (b) Proceedings for judicial review shall be commenced in
17 the circuit court of the court in which the party applying for
18 review resides, but if the party is not a resident of Illinois,
19 the venue shall be in Cook ~~Sangamon~~ County.

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

21 (225 ILCS 454/20-85)

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

23 Sec. 20-85. Recovery from Real Estate Recovery Fund. The
24 Department shall maintain a Real Estate Recovery Fund from

1 which any person aggrieved by an act, representation,
2 transaction, or conduct of a licensee or unlicensed employee of
3 a licensee that is in violation of this Act or the rules
4 promulgated pursuant thereto, constitutes embezzlement of
5 money or property, or results in money or property being
6 unlawfully obtained from any person by false pretenses,
7 artifice, trickery, or forgery or by reason of any fraud,
8 misrepresentation, discrimination, or deceit by or on the part
9 of any such licensee or the unlicensed employee of a licensee
10 and that results in a loss of actual cash money, as opposed to
11 losses in market value, may recover. The aggrieved person may
12 recover, by a post-judgment order of the circuit court of the
13 county where the violation occurred in a proceeding described
14 in Section 20-90 of this Act, an amount of not more than the
15 amount adopted by rule \$25,000 from the Fund for damages
16 sustained by the act, representation, transaction, or conduct,
17 together with costs of suit and attorney's fees incurred in
18 connection therewith ~~of not to exceed 15% of the amount of the~~
19 ~~recovery ordered paid from the Fund. However, no person may~~
20 ~~recover from the Fund unless the court finds that the person~~
21 ~~suffered a loss resulting from intentional misconduct.~~ The
22 post-judgment order shall not include interest on the judgment.
23 The maximum liability against the Fund arising out of any one
24 act shall be as adopted by rule ~~provided in this Section~~, and
25 the post-judgment order shall spread the award equitably among
26 all co-owners or otherwise aggrieved persons, if any. The

1 maximum liability against the Fund arising out of the
2 activities of any one licensee or one unlicensed employee of a
3 licensee in any one transaction or set of facts that formed the
4 basis of a post-judgment order, ~~since January 1, 1974,~~ shall be
5 as adopted by rule \$100,000. Nothing in this Section shall be
6 construed to authorize recovery from the Fund unless the loss
7 of the aggrieved person results from an act or omission of a
8 licensee under this Act who was at the time of the act or
9 omission acting in such capacity or was apparently acting in
10 such capacity or their unlicensed employee and unless the
11 aggrieved person has obtained a valid judgment and
12 post-judgment order of the court as provided for in Section
13 20-90 of this Act.

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

15 (225 ILCS 454/20-90)

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

17 Sec. 20-90. Collection from Real Estate Recovery Fund;
18 procedure.

19 (a) No action for a judgment that subsequently results in a
20 post-judgment order for collection from the Real Estate
21 Recovery Fund shall be started later than 2 years after the
22 date on which the aggrieved person knew, or through the use of
23 reasonable diligence should have known, of the acts or
24 omissions giving rise to a right of recovery from the Real
25 Estate Recovery Fund.

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

17 (c) (Blank).

18 (d) When any aggrieved person commences action for a
19 judgment that may result in collection from the Real Estate
20 Recovery Fund, and the aggrieved person is unable to obtain
21 legal and proper service upon the parties defendant licensed
22 under this Act under the provisions of Illinois law concerning
23 service of process in civil actions, the aggrieved person may
24 petition the court where the action to obtain judgment was
25 begun for an order to allow service of legal process on the
26 Secretary. Service of process on the Secretary shall be taken

1 and held in that court to be as valid and binding as if due
2 service had been made upon the parties defendant licensed under
3 this Act. In case any process mentioned in this Section is
4 served upon the Secretary, the Secretary shall forward a copy
5 of the process by certified mail to the licensee's last address
6 on record with the Department. Any judgment obtained after
7 service of process on the Secretary under this Act shall apply
8 to and be enforceable against the Real Estate Recovery Fund
9 only. The Department may intervene in and defend any such
10 action.

11 (e) (Blank).

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

20 (g) When any aggrieved person recovers a valid judgment in
21 any court of competent jurisdiction in an action in which the
22 court has found the aggrieved person to be injured or otherwise
23 damaged by ~~against~~ any licensee or an unlicensed employee of
24 any licensee as a result, ~~upon the grounds~~ of fraud,
25 misrepresentation, discrimination, or deceit or intentional
26 violation of this Act by the licensee or the unlicensed

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

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

19 (2) Has complied with all the requirements of this
20 Section.

21 (3) Has obtained a judgment stating the amount thereof
22 and the amount owing thereon, not including interest
23 thereon, at the date of the application.

24 ~~(4) Has made all reasonable searches and inquiries to~~
25 ~~ascertain whether the judgment debtor or debtors is~~
26 ~~possessed of real or personal property or other assets,~~

1 ~~liable to be sold or applied in satisfaction of the~~
2 ~~judgment.~~

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

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

20 (4) Has shown evidence of ~~The aggrieved person shall~~
21 ~~also be required to prove~~ the amount of attorney's fees
22 sought to be recovered and the reasonableness of those fees
23 up to the maximum allowed pursuant to Section 20-85 of this
24 Act. An affidavit from the aggrieved party's attorney shall
25 be sufficient evidence of the attorney's fees incurred.

26 (h) If, after ~~After~~ conducting the evidentiary hearing

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

15 (i) ~~If Should~~ the Department pays pay from the Real Estate
16 Recovery Fund any amount in settlement of a claim or toward
17 satisfaction of a judgment against any licensee or an
18 unlicensed employee of a licensee, the licensee's license shall
19 be automatically revoked upon the issuance of a post-judgment
20 order authorizing payment from the Real Estate Recovery Fund.
21 No petition for restoration of a license shall be heard until
22 repayment has been made in full, plus interest at the rate
23 prescribed in Section 12-109 of the Code of Civil Procedure of
24 the amount paid from the Real Estate Recovery Fund on their
25 account, notwithstanding any provision to the contrary in
26 Section 2105-15 of the Department of Professional Regulation

1 Law of the Civil Administrative Code of Illinois. A discharge
2 in bankruptcy shall not relieve a person from the penalties and
3 disabilities provided in this subsection (i).

4 (j) If, at any time, the money deposited in the Real Estate
5 Recovery Fund is insufficient to satisfy any duly authorized
6 claim or portion thereof, the Department shall, when sufficient
7 money has been deposited in the Real Estate Recovery Fund,
8 satisfy such unpaid claims or portions thereof, in the order
9 that such claims or portions thereof were originally filed,
10 plus accumulated interest at the rate prescribed in Section
11 12-109 of the Code of Civil Procedure, provided that amount
12 does not exceed the limits set forth in rules adopted by the
13 Department.

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

15 (225 ILCS 454/25-15)

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

17 Sec. 25-15. Real Estate Coordinator; duties. There shall be
18 in the Department a Real Estate Coordinator, appointed by the
19 Secretary, who shall hold a currently valid broker's license,
20 which shall be transferred to inactive status ~~surrendered to~~
21 ~~the Department~~ during the appointment. The Real Estate
22 Coordinator shall have the following duties and
23 responsibilities:

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

1 (2) be the direct liaison between the Department, the
2 profession, and real estate organizations and
3 associations;

4 (3) prepare and circulate to licensees any educational
5 and informational material that the Department deems
6 necessary for providing guidance or assistance to
7 licensees;

8 (4) appoint any necessary committees to assist in the
9 performance of the functions and duties of the Department
10 under this Act; and

11 (5) subject to the administrative approval of the
12 Secretary, supervise all real estate activities.

13 In designating the Real Estate Coordinator, the Secretary
14 shall give due consideration to recommendations by members and
15 organizations of the profession.

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

17 (225 ILCS 454/25-21)

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

19 Sec. 25-21. Peer review advisors. The Department may
20 contract with licensees meeting qualifications prescribed
21 ~~established~~ by the Department to serve as peer review advisors
22 for complaints and alleged violations of the Act. A peer review
23 advisor is authorized to investigate and determine the facts of
24 a complaint. The peer review advisor shall, at the direction of
25 the Department, interview witnesses, the complainant and any

1 licensees involved in the alleged matter and make a
2 recommendation as to the findings of fact to the Department.
3 The Department shall have 30 days from receipt of the
4 recommendation to accept, reject or modify the recommended
5 findings of fact. Peer review advisors shall be compensated
6 from the Real Estate Audit Fund at a rate of not to exceed
7 \$15,000.00 per advisor annually. A peer review advisor shall
8 not investigate a complaint from a marketplace in which the
9 peer review advisor does business.

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

11 (225 ILCS 454/25-25)

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

13 Sec. 25-25. Real Estate Research and Education Fund. A
14 special fund to be known as the Real Estate Research and
15 Education Fund is created and shall be held in trust in the
16 State Treasury. Annually, on September 15th, the State
17 Treasurer shall cause a transfer of \$125,000 to the Real Estate
18 Research and Education Fund from the Real Estate License
19 Administration Fund. The Real Estate Research and Education
20 Fund shall be administered by the Department. Money deposited
21 in the Real Estate Research and Education Fund may be used for
22 research and for education at state institutions of higher
23 education or other organizations for research and for education
24 to further the advancement of education in the real estate
25 industry. Of the \$125,000 annually transferred into the Real

1 Estate Research and Education Fund, \$15,000 shall be used to
2 fund a scholarship program for persons of minority racial
3 origin who wish to pursue a course of study in the field of
4 real estate. For the purposes of this Section, "course of
5 study" means a course or courses that are part of a program of
6 courses in the field of real estate designed to further an
7 individual's knowledge or expertise in the field of real
8 estate. These courses shall include without limitation courses
9 that a broker licensed under this Act must complete to qualify
10 for a managing broker's license, courses required to obtain the
11 Graduate Realtors Institute designation, and any other courses
12 or programs offered by accredited colleges, universities, or
13 other institutions of higher education in Illinois. The
14 scholarship program shall be administered by the Department or
15 its designee. Moneys in the Real Estate Research and Education
16 Fund may be invested and reinvested in the same manner as funds
17 in the Real Estate Recovery Fund and all earnings, interest,
18 and dividends received from such investments shall be deposited
19 in the Real Estate Research and Education Fund and may be used
20 for the same purposes as moneys transferred to the Real Estate
21 Research and Education Fund. Moneys in the Real Estate Research
22 and Education Fund may be transferred to the Professions
23 Indirect Cost Fund as authorized under Section 2105-300 of the
24 Department of Professional Regulation Law of the Civil
25 Administrative Code of Illinois.

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

1 (225 ILCS 454/30-5)

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

3 Sec. 30-5. Licensing of real estate education providers and
4 instructors.

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

19 (b) (Blank).

20 (c) (Blank).

21 (d) (Blank).

22 (e) (Blank).

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

25 (1) a sound financial base for establishing,

1 promoting, and delivering the necessary courses; budget
2 planning for the school's courses should be clearly
3 projected;

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

6 (3) adequate support personnel to assist with
7 administrative matters and technical assistance;

8 (4) maintenance and availability of records of
9 participation for licensees;

10 (5) the ability to provide each participant who
11 successfully completes an approved program with a
12 certificate of completion signed by the administrator of a
13 licensed education provider in a manner prescribed ~~on forms~~
14 ~~provided~~ by the Department; the certificate of completion
15 shall include the program that was completed, the
16 completion date, the course number, and the student's and
17 education provider's license numbers;

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

20 (7) lesson plans and examinations, if applicable, for
21 each course;

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

25 (9) the ability to identify and use instructors who
26 will teach in a planned program; instructor selections must

1 demonstrate:

- 2 (A) appropriate credentials;
- 3 (B) competence as a teacher;
- 4 (C) knowledge of content area; and
- 5 (D) qualification by experience.

6 Unless otherwise provided for in this Section, the
7 education provider shall provide a proctor or an electronic
8 means of proctoring for each examination; the education
9 provider shall be responsible for the conduct of the proctor;
10 the duties and responsibilities of a proctor shall be
11 established by rule.

12 Unless otherwise provided for in this Section, the
13 education provider must provide for closed book examinations
14 for each course unless the Department, upon the recommendation
15 of the Board, excuses this requirement based on the complexity
16 of the course material.

17 (g) Advertising and promotion of education activities must
18 be carried out in a responsible fashion clearly showing the
19 educational objectives of the activity, the nature of the
20 audience that may benefit from the activity, the cost of the
21 activity to the participant and the items covered by the cost,
22 the amount of credit that can be earned, and the credentials of
23 the faculty.

24 (h) The Department may, or upon request of the Board shall,
25 after notice, cause an education provider to attend an informal
26 conference before the Board for failure to comply with any

1 requirement for licensure or for failure to comply with any
2 provision of this Act or the rules for the administration of
3 this Act. The Board shall make a recommendation to the
4 Department as a result of its findings at the conclusion of any
5 such informal conference.

6 (i) All education providers shall maintain these minimum
7 criteria and pay the required fee in order to retain their
8 education provider license.

9 (j) 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; 100-831, eff. 1-1-19.)

14 (225 ILCS 454/30-15)

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

16 Sec. 30-15. Licensing of education providers; approval of
17 courses.

18 (a) (Blank).

19 (b) (Blank).

20 (c) (Blank).

21 (d) (Blank).

22 (e) (Blank).

23 (f) All education providers shall submit, at the time of
24 initial application and with each license renewal, a list of
25 courses with course materials that comply with the course

1 requirements in this Act to be offered by the education
2 provider. The Department may establish an online mechanism by
3 which education providers may submit for approval by the
4 Department upon the recommendation of the Board or its designee
5 pre-license, post-license, or continuing education courses
6 that are submitted after the time of the education provider's
7 initial license application or renewal. The Department shall
8 provide to each education provider a certificate for each
9 approved pre-license, post-license, or continuing education
10 course. All pre-license, post-license, or continuing education
11 courses shall be valid for the period coinciding with the term
12 of license of the education provider. However, in no case shall
13 a course continue to be valid if it does not, at all times,
14 meet all of the requirements of the core curriculum established
15 by this Act and the Board, as modified from time to time in
16 accordance with this Act. All education providers shall provide
17 a copy of the certificate of the pre-license, post-license, or
18 continuing education course within the course materials given
19 to each student or shall display a copy of the certificate of
20 the pre-license, post-license, or continuing education course
21 in a conspicuous place at the location of the class.

22 (g) Each education provider shall provide to the Department
23 a report in a frequency and format determined by the
24 Department, with information concerning students who
25 successfully completed all approved pre-license, post-license,
26 or continuing education courses offered by the education

1 provider.

2 (h) The Department, upon the recommendation of the Board,
3 may temporarily suspend a licensed education provider's
4 approved courses without hearing and refuse to accept
5 successful completion of or participation in any of these
6 pre-license, post-license, or continuing education courses for
7 education credit from that education provider upon the failure
8 of that education provider to comply with the provisions of
9 this Act or the rules for the administration of this Act, until
10 such time as the Department receives satisfactory assurance of
11 compliance. The Department shall notify the education provider
12 of the noncompliance and may initiate disciplinary proceedings
13 pursuant to this Act. The Department may refuse to issue,
14 suspend, revoke, or otherwise discipline the license of an
15 education provider or may withdraw approval of a pre-license,
16 post-license, or continuing education course for good cause.
17 Failure to comply with the requirements of this Section or any
18 other requirements established by rule shall be deemed to be
19 good cause. Disciplinary proceedings shall be conducted by the
20 Board in the same manner as other disciplinary proceedings
21 under this Act.

22 (i) Pre-license, post-license, and continuing education
23 courses, whether submitted for approval at the time of an
24 education provider's initial application for licensure or
25 otherwise, must meet the following minimum course
26 requirements:

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

6 (2) All core curriculum courses shall be provided only
7 in the classroom or through a live, interactive webinar or
8 online distance education format.

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

15 (4) All participants in courses provided in an online
16 distance education format shall demonstrate proficiency
17 with the subject matter of the course through verifiable
18 responses to questions included in the course content.

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

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

25 (j) The Department is authorized to engage a third party as
26 the Board's designee to perform the functions specifically

1 provided for in subsection (f) of this Section, namely that of
2 administering the online system for receipt, review, and
3 approval or denial of new courses.

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

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

9 (225 ILCS 454/30-25)

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

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

12 (a) No person shall act as either a pre-license or
13 continuing education instructor without possessing a valid
14 pre-license or continuing education instructor license and
15 satisfying any other qualification criteria adopted
16 ~~established~~ by the Department by rule.

17 (a-5) Each person with a valid pre-license instructor
18 license may teach pre-license, continuing education core
19 curriculum, continuing education elective curriculum, or
20 broker management education courses if they meet specific
21 criteria adopted by the Department by rule. Those persons who
22 have not met the criteria or who only possess a valid
23 continuing education instructor license shall only teach
24 continuing education elective curriculum courses. Any person
25 with a valid continuing education instructor license who wishes

1 to teach continuing education core curriculum or broker
2 management continuing education courses must obtain a valid
3 pre-license instructor license. ~~Each person that is an~~
4 ~~instructor for pre-license, continuing education core~~
5 ~~curriculum, or broker management education courses shall meet~~
6 ~~specific criteria established by the Department by rule. Those~~
7 ~~persons who have not met the criteria shall only teach~~
8 ~~continuing education elective curriculum courses.~~

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

17 (b-5) The term of licensure for a pre-license or continuing
18 education instructor shall be 2 years, with renewal dates
19 adopted ~~and as established~~ by rule. Every person who desires to
20 obtain a pre-license or continuing education instructor
21 license shall make application to the Department in a manner
22 ~~writing on forms~~ prescribed by the Department, accompanied by
23 the fee adopted ~~prescribed~~ by rule. In addition to any other
24 information required to be contained in the application, every
25 application for an original license shall include the
26 applicant's Social Security number, which shall be retained in

1 the agency's records pertaining to the license. As soon as
2 practical, the Department shall assign a customer's
3 identification number to each applicant for a license.

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

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

9 (c) The Department may refuse to issue, suspend, revoke, or
10 otherwise discipline a pre-license or continuing education
11 instructor for good cause. Disciplinary proceedings shall be
12 conducted by the Board in the same manner as other disciplinary
13 proceedings under this Act. All pre-license instructors must
14 teach at least one pre-license or continuing education core
15 curriculum course within the period of licensure as a
16 requirement for renewal of the instructor's license. All
17 continuing education instructors must teach at least one course
18 within the period of licensure or take an instructor training
19 program approved by the Department in lieu thereof as a
20 requirement for renewal of the instructor's license.

21 (d) Each course transcript submitted by an education
22 provider to the Department shall include the name and license
23 number of the pre-license or continuing education instructor
24 for the course.

25 (e) Licensed education provider instructors may teach for
26 more than one licensed education provider.

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

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

6 (225 ILCS 454/20-68 rep.)

7 (225 ILCS 454/25-14 rep.)

8 (225 ILCS 454/25-37 rep.)

9 Section 15. The Real Estate License Act of 2000 is amended
10 by repealing Sections 20-68, 25-14, and 25-37.

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