



Sen. Ram Villivalam

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1 AMENDMENT TO SENATE BILL 573

2 AMENDMENT NO. _____. Amend Senate Bill 573 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Vehicle Code is amended by
5 changing Sections 3-100.1, 3-104, 3-104.5, 3-112.1, 3-113,
6 3-202, 3-209, 3-403, 3-405.1, 3-506, 3-802, 3-805, 3-806.1,
7 3-806.5, 5-100, 5-101, 5-101.1, 5-101.2, 5-102, 5-102.8, and
8 5-301 and by adding Sections 1-213.8 and 5-505 as follows:

9 (625 ILCS 5/1-213.8 new)

10 Sec. 1-213.8. Uniform Invoice. A form created by the
11 Secretary for the purpose of transporting vehicles and
12 essential parts that does not convey or transfer ownership
13 rights of a vehicle from one entity to another.

14 (625 ILCS 5/3-100.1)

15 Sec. 3-100.1. Use of electronic records.

1 (a) To the extent authorized by the Secretary of State and
2 in accordance with standards and procedures prescribed by the
3 Secretary of State:

4 (1) Certificates, certifications, affidavits,
5 applications, assignments, statements, notices,
6 documents, and other records required under this Chapter
7 may be created, distributed, and received in electronic
8 form.

9 (2) Signatures required under this Chapter may be made
10 as electronic signatures or may be waived.

11 (3) Delivery of records required under this Chapter
12 may be made by any means, including electronic delivery.

13 (4) Fees and taxes required to be paid under this
14 Chapter may be made by electronic means; provided that any
15 forms, records, electronic records, and methods of
16 electronic payment relating to the filing and payment of
17 taxes shall be prescribed by the Department of Revenue.

18 (a-5) No later than July 1, 2022 ~~2021~~, the Secretary of
19 State shall implement, manage, and administer an electronic
20 lien and title system that will permit a lienholder to
21 perfect, assign, and release a lien under this Code. The
22 system may include the points in subsection (a) as to the
23 identified objectives of the program. The Secretary shall
24 establish by administrative rule the standards and procedures
25 relating to the management and implementation of the mandatory
26 electronic lien and title system established under this

1 subsection. The Secretary may charge a reasonable fee for
2 performing the services and functions relating to the
3 management and administration of the system. The fee shall be
4 set by administrative rule adopted by the Secretary.

5 (b) Electronic records accepted by the Secretary of State
6 have the same force and effect as records created on paper by
7 writing, typing, printing, or similar means. The procedures
8 established by the Secretary of State concerning the
9 acceptance of electronic filings and electronic records shall
10 ensure that the electronic filings and electronic records are
11 received and stored accurately and that they are readily
12 available to satisfy any statutory requirements that call for
13 a written record.

14 (c) Electronic signatures accepted by the Secretary of
15 State shall have the same force and effect as manual
16 signatures.

17 (d) Electronic delivery of records accepted by the
18 Secretary of State shall have the same force and effect as
19 physical delivery of records.

20 (e) Electronic records and electronic signatures accepted
21 by the Secretary of State shall be admissible in all
22 administrative, quasi-judicial, and judicial proceedings. In
23 any such proceeding, nothing in the application of the rules
24 of evidence shall apply so as to deny the admissibility of an
25 electronic record or electronic signature into evidence on the
26 sole ground that it is an electronic record or electronic

1 signature, or on the grounds that it is not in its original
2 form or is not an original. Information in the form of an
3 electronic record shall be given due evidentiary weight by the
4 trier of fact.

5 (f) The Secretary may contract with a private contractor
6 to carry out the Secretary's duties under this Section.

7 (Source: P.A. 101-490, eff. 1-1-20.)

8 (625 ILCS 5/3-104) (from Ch. 95 1/2, par. 3-104)

9 Sec. 3-104. Application for certificate of title.

10 (a) The application for a certificate of title for a
11 vehicle in this State must be made by the owner to the
12 Secretary of State on the form prescribed and must contain:

13 1. The name, Illinois residence, mail address, and, if
14 available, email address of the owner;

15 2. A description of the vehicle including, so far as
16 the following data exists: Its make, year-model,
17 identifying number, type of body, whether new or used, as
18 to house trailers as defined in Section 1-128 of this
19 Code, and as to manufactured homes as defined in Section
20 1-144.03 of this Code, the square footage based upon the
21 outside dimensions excluding the length of the tongue and
22 hitch, and, as to vehicles of the second division, whether
23 for-hire, not-for-hire, or both for-hire and not-for-hire;

24 3. The date of purchase by applicant and, if
25 applicable, the name and address of the person from whom

1 the vehicle was acquired and the names and addresses of
2 any lienholders in the order of their priority and
3 signatures of owners;

4 4. The current odometer reading at the time of
5 transfer and that the stated odometer reading is one of
6 the following: actual mileage, not the actual mileage or
7 mileage is in excess of its mechanical limits; and

8 5. Any further information the Secretary of State
9 reasonably requires to identify the vehicle and to enable
10 him to determine whether the owner is entitled to a
11 certificate of title and the existence or nonexistence of
12 security interests in the vehicle.

13 (a-5) The Secretary of State shall designate on the
14 prescribed application form a space where the owner of a
15 vehicle may designate a beneficiary, to whom ownership of the
16 vehicle shall pass in the event of the owner's death.

17 (b) If the application refers to a vehicle purchased from
18 a dealer, it must also be signed by the dealer as well as the
19 owner, and the dealer must promptly mail or deliver the
20 application and required documents to the Secretary of State.

21 (c) If the application refers to a vehicle last previously
22 registered in another State or country, the application must
23 contain or be accompanied by:

24 1. Any certified document of ownership so recognized
25 and issued by the other State or country and acceptable to
26 the Secretary of State, and

1 2. Any other information and documents the Secretary
2 of State reasonably requires to establish the ownership of
3 the vehicle and the existence or nonexistence of security
4 interests in it.

5 (d) If the application refers to a new vehicle it must be
6 accompanied by the Manufacturer's Statement of Origin, or
7 other documents as required and acceptable by the Secretary of
8 State, with such assignments as may be necessary to show title
9 in the applicant.

10 (e) If an application refers to a vehicle rebuilt from a
11 vehicle previously salvaged, that application shall comply
12 with the provisions set forth in Sections 3-302 through 3-304
13 of this Code.

14 (f) An application for a certificate of title for any
15 vehicle, whether purchased in Illinois or outside Illinois,
16 and even if previously registered in another State, must be
17 accompanied by either an exemption determination from the
18 Department of Revenue showing that no tax imposed pursuant to
19 the Use Tax Act or the vehicle use tax imposed by Section
20 3-1001 of the Illinois Vehicle Code is owed by anyone with
21 respect to that vehicle, or a receipt from the Department of
22 Revenue showing that any tax so imposed has been paid. An
23 application for a certificate of title for any vehicle
24 purchased outside Illinois, even if previously registered in
25 another state, must be accompanied by either an exemption
26 determination from the Department of Revenue showing that no

1 tax imposed pursuant to the Municipal Use Tax Act or the County
2 Use Tax Act is owed by anyone with respect to that vehicle, or
3 a receipt from the Department of Revenue showing that any tax
4 so imposed has been paid. In the absence of such a receipt for
5 payment or determination of exemption from the Department, no
6 certificate of title shall be issued to the applicant.

7 If the proof of payment of the tax or of nonliability
8 therefor is, after the issuance of the certificate of title
9 and display certificate of title, found to be invalid, the
10 Secretary of State shall revoke the certificate and require
11 that the certificate of title and, when applicable, the
12 display certificate of title be returned to him.

13 (g) If the application refers to a vehicle not
14 manufactured in accordance with federal safety and emission
15 standards, the application must be accompanied by all
16 documents required by federal governmental agencies to meet
17 their standards before a vehicle is allowed to be issued title
18 and registration.

19 (h) If the application refers to a vehicle sold at public
20 sale by a sheriff, it must be accompanied by the required fee
21 and a bill of sale issued and signed by a sheriff. The bill of
22 sale must identify the new owner's name and address, the year
23 model, make and vehicle identification number of the vehicle,
24 court order document number authorizing such sale, if
25 applicable, and the name and address of any lienholders in
26 order of priority, if applicable.

1 (i) If the application refers to a vehicle for which a
2 court of law determined the ownership, it must be accompanied
3 with a certified copy of such court order and the required fee.
4 The court order must indicate the new owner's name and
5 address, the complete description of the vehicle, if known,
6 the name and address of the lienholder, if any, and must be
7 signed and dated by the judge issuing such order.

8 (j) If the application refers to a vehicle sold at public
9 auction pursuant to the Labor and Storage Lien (Small Amount)
10 Act, it must be accompanied by an affidavit or affirmation
11 furnished by the Secretary of State along with the documents
12 described in the affidavit or affirmation and the required
13 fee.

14 (k) The Secretary may provide an expedited process for the
15 issuance of vehicle titles. Expedited title applications must
16 be delivered to the Secretary of State's Vehicle Services
17 Department in Springfield by express mail service or hand
18 delivery. Applications must be complete, including necessary
19 forms, fees, and taxes. Applications received before noon on a
20 business day will be processed and shipped that same day.
21 Applications received after noon on a business day will be
22 processed and shipped the next business day. The Secretary
23 shall charge an additional fee of \$30 for this service, and
24 that fee shall cover the cost of return shipping via an express
25 mail service. All fees collected by the Secretary of State for
26 expedited services shall be deposited into the Motor Vehicle

1 License Plate Fund. In the event the Vehicle Services
2 Department determines that the volume of expedited title
3 requests received on a given day exceeds the ability of the
4 Vehicle Services Department to process those requests in an
5 expedited manner, the Vehicle Services Department may decline
6 to provide expedited services, and the additional fee for the
7 expedited service shall be refunded to the applicant.

8 (l) If the application refers to a homemade trailer, (i)
9 it must be accompanied by the appropriate documentation
10 regarding the source of materials used in the construction of
11 the trailer, as required by the Secretary of State, (ii) the
12 trailer must be inspected by a Secretary of State employee
13 prior to the issuance of the title, and (iii) upon approval of
14 the Secretary of State, the trailer must have a vehicle
15 identification number, as provided by the Secretary of State,
16 stamped or riveted to the frame.

17 (m) The holder of a Manufacturer's Statement of Origin to
18 a manufactured home may deliver it to any person to facilitate
19 conveying or encumbering the manufactured home. Any person
20 receiving any such Manufacturer's Statement of Origin so
21 delivered holds it in trust for the person delivering it.

22 (n) Within 45 days after the completion of the first
23 retail sale of a manufactured home, the Manufacturer's
24 Statement of Origin to that manufactured home must be
25 surrendered to the Secretary of State either in conjunction
26 with an application for a certificate of title for that

1 manufactured home or in accordance with Section 3-116.1.

2 (o) Each application for certificate of title for a motor
3 vehicle shall be verified by the National Motor Vehicle Title
4 Information System (NMVTIS) for a vehicle history report prior
5 to the Secretary issuing a certificate of title.

6 (p) The Secretary, at the Secretary's discretion, may use
7 any commercially available title history service to assist in
8 determining the proper title designation of a motor vehicle
9 before the issuance of a certificate of title.

10 (Source: P.A. 99-414, eff. 8-20-15; 100-145, eff. 1-1-18.)

11 (625 ILCS 5/3-104.5)

12 Sec. 3-104.5. Application NMVTIS warnings or errors.

13 (a) Each application for a certificate of title or a
14 salvage certificate for a motor vehicle that is verified by
15 the National Motor Vehicle Title Information System (NMVTIS)
16 that is returned with a warning or error shall be reviewed by
17 the Secretary of State, or his or her designees, as to whether
18 the warning or error warrants a change to the type of title or
19 brand that is issued to a motor vehicle. If the Secretary needs
20 supplemental information to verify or corroborate the
21 information received from a NMVTIS report, then the Secretary
22 may use any available commercial title history services or
23 other Secretary of State resources to assist in determining
24 the vehicle's proper designation.

25 (b) Any motor vehicle application for a certificate of

1 title or a salvage certificate that another state has
2 previously issued a title or brand indicating that the status
3 of the motor vehicle is equivalent to a junk vehicle, as
4 defined in Section 1-134.1 of this Code, shall receive a title
5 with a "prior out of state junk" brand if that history item was
6 issued 120 months or more before the date of the submission of
7 the current application for title.

8 (c) Any motor vehicle application for a certificate of
9 title or a salvage certificate that is returned with a NMVTIS
10 warning or error indicating that another state has previously
11 issued a title or brand indicating the status of the motor
12 vehicle is equivalent to a junk vehicle, as defined in Section
13 1-134.1 of this Code, shall be issued a junk certificate that
14 reflects the motor vehicle's structural history, if the
15 previously issued title or brand from another state was issued
16 less than 120 months before the date of the submission of the
17 current application for title.

18 (d) Any motor vehicle application for a certificate of
19 title or a salvage certificate that is returned with a NMVTIS
20 warning or error indicating a brand or label from another
21 jurisdiction, that does not have a similar or comparable brand
22 or label in this State, shall include a notation or brand on
23 the certificate of title stating "previously branded".

24 (e) Any motor vehicle that is subject to the federal Truth
25 in Mileage Act, and is returned with a NMVTIS warning or error
26 indicating the stated mileage of the vehicle on the

1 application for certificate of title is 1,500 or fewer miles
2 less than a previously recorded mileage for the vehicle, shall
3 be deemed as having an acceptable margin of error and the
4 higher of the 2 figures shall be indicated on the new
5 certificate of title, if the previous mileage was recorded
6 within 90 days of the date of the current application for title
7 and if there are no indications of fraud or malfeasance, or of
8 altering or tampering with the odometer.

9 (f) Any applicant for a certificate of title or a salvage
10 certificate who receives an alternative salvage or junk
11 certificate, or who receives a certificate of title with a
12 brand or label indicating the vehicle was previously rebuilt
13 prior out of state junk, previously branded, or flood, may
14 contest the Secretary's designations by requesting an
15 administrative hearing under Section 2-116 of this Code.

16 (g) The Secretary may adopt any rules necessary to
17 implement this Section.

18 (h) The Secretary, in the Secretary's discretion, may use
19 any commercially available title history service to assist in
20 determining the proper title designation of a motor vehicle
21 before the issuance of a certificate of title.

22 (Source: P.A. 99-414, eff. 8-20-15.)

23 (625 ILCS 5/3-112.1) (from Ch. 95 1/2, par. 3-112.1)

24 Sec. 3-112.1. Odometer.

25 (a) All titles issued by the Secretary of State beginning

1 January, 1990, shall provide for an odometer certification
2 substantially as follows:

3 "I certify to the best of my knowledge that the odometer
4 reading is and reflects the actual mileage of the vehicle
5 unless one of the following statements is checked.

6

7 () 1. The mileage stated is in excess of its mechanical
8 limits.

9 () 2. The odometer reading is not the actual mileage.
10 Warning - Odometer Discrepancy."

11 (b) When executing any transfer of title which contains
12 the odometer certification as described in paragraph (a)
13 above, each transferor of a motor vehicle must supply on the
14 title form the following information:

15 (1) The odometer reading at the time of transfer and
16 an indication if the mileage is in excess of its
17 mechanical limits or if it is not the actual mileage;

18 (2) The date of transfer;

19 (3) The transferor's printed name and signature; and

20 (4) The transferee's printed name and address.

21 (c) The transferee must sign on the title form indicating
22 that he or she is aware of the odometer certification made by
23 the transferor.

24 (d) The transferor will not be required to disclose the
25 current odometer reading and the transferee will not have to
26 acknowledge such disclosure under the following circumstances:

1 (1) A vehicle having a Gross Vehicle Weight Rating of
2 more than 16,000 pounds;

3 (2) A vehicle that is not self-propelled;

4 (3) A vehicle that is ~~is~~

5 (A) before January 1, 2031, is model year 2010 or
6 older; or

7 (B) after January 1, 2031, is 20 ~~10~~ years old or
8 older;

9 (4) A vehicle sold directly by the manufacturer to any
10 agency of the United States; and

11 (5) A vehicle manufactured without an odometer.

12 (e) When the transferor signs the title transfer such
13 transferor acknowledges that he or she is aware that Federal
14 regulations and State law require him or her to state the
15 odometer mileage upon transfer of ownership. An inaccurate or
16 untruthful statement with intent to defraud subjects the
17 transferor to liability for damages to the transferee pursuant
18 to the federal Motor Vehicle Information and Cost Act of 1972,
19 P.L. 92-513 as amended by P.L. 94-364. No transferor shall be
20 liable for damages as provided under this Section who
21 transfers title to a motor vehicle which has an odometer
22 reading that has been altered or tampered with by a previous
23 owner, unless that transferor knew or had reason to know of
24 such alteration or tampering and sold such vehicle with an
25 intent to defraud. A cause of action is hereby created by which
26 any person who, with intent to defraud, violates any

1 requirement imposed under this Section shall be liable in an
2 amount equal to the sum of:

3 (1) three times the amount of actual damages sustained
4 or \$1,500, whichever is the greater; and

5 (2) in the case of any successful action to enforce
6 the foregoing liability, the costs of the action together
7 with reasonable attorney fees as determined by the court.

8 Any recovery based on a cause of action under this Section
9 shall be offset by any recovery made pursuant to the federal
10 Motor Vehicle Information and Cost Savings Act of 1972.

11 (f) The provisions of this Section shall not apply to any
12 motorcycle, motor driven cycle, moped, antique vehicle, or
13 expanded-use antique vehicle.

14 (g) The Secretary of State may adopt rules and regulations
15 providing for a transition period for all non-conforming
16 titles.

17 (Source: P.A. 97-412, eff. 1-1-12.)

18 (625 ILCS 5/3-113) (from Ch. 95 1/2, par. 3-113)

19 Sec. 3-113. Transfer to or from dealer; records.

20 (a) After a dealer buys a vehicle and holds it for resale,
21 the dealer must procure the certificate of title from the
22 owner or the lienholder. The dealer may hold the certificate
23 until he or she transfers the vehicle to another person. Upon
24 transferring the vehicle to another person, the dealer shall
25 promptly and within 20 days execute the assignment and

1 warranty of title by a dealer, showing the names and addresses
2 of the transferee and of any lienholder holding a security
3 interest created or reserved at the time of the resale, in the
4 spaces provided therefor on the certificate or as the
5 Secretary of State prescribes, and mail or deliver the
6 certificate to the Secretary of State with the transferee's
7 application for a new certificate, except as provided in
8 Section 3-117.2. A dealer has complied with this Section if
9 the date of the mailing of the certificate, as indicated by the
10 postmark, is within 20 days of the date on which the vehicle
11 was transferred to another person.

12 (b) The Secretary of State may decline to process any
13 application for a transfer of an interest in a vehicle if any
14 fees or taxes due under this Code from the transferor or the
15 transferee have not been paid upon reasonable notice and
16 demand.

17 (c) Any person who violates this Section shall be guilty
18 of a petty offense.

19 (d) Beginning January 1, 2014, the Secretary of State is
20 authorized to impose a delinquent vehicle dealer transfer fee
21 of \$20 if the certificate of title is received by the Secretary
22 from the dealer 30 days but less than 60 days after the date of
23 sale. If the certificate of title is received by the Secretary
24 from the dealer 60 days but less than 90 days after the date of
25 sale, the delinquent dealer transfer fee shall be \$35. If the
26 certificate of title is received by the Secretary from the

1 dealer 90 days but less than 120 days after the date of sale,
2 the delinquent vehicle dealer transfer fee shall be \$65. If
3 the certificate of title is received by the Secretary from the
4 dealer 120 days or more after the date of the sale, the
5 delinquent vehicle dealer transfer fee shall be \$100. All
6 monies collected under this subsection shall be deposited into
7 the CDLIS/AAMVAnet/NMVTIS Trust Fund.

8 (e) Beginning January 1, 2022, the Secretary of State is
9 authorized to issue a certificate of title in the name of the
10 dealership to a licensed dealer under Chapter 5 for \$20 if the
11 surrendered certificate of title has no space to assign the
12 certificate of title again.

13 (f) Any licensee under Chapter 5 who sells, transfers, or
14 wholesales a vehicle out of State shall mail the certificate
15 of title to the physical business address in the requisite
16 jurisdiction in lieu of transferring title at the time of
17 sale.

18 (Source: P.A. 98-177, eff. 1-1-14.)

19 (625 ILCS 5/3-202) (from Ch. 95 1/2, par. 3-202)

20 Sec. 3-202. Perfection of security interest.

21 (a) Unless excepted by Section 3-201, a security interest
22 in a vehicle of a type for which a certificate of title is
23 required is not valid against subsequent transferees or
24 lienholders of the vehicle unless perfected as provided in
25 this Act. A purchase money security interest in a manufactured

1 home is perfected against the rights of judicial lien
2 creditors and execution creditors on and after the date such
3 purchase money security interest attaches.

4 (b) A security interest is perfected by the delivery to
5 the Secretary of State of the existing certificate of title,
6 if any, an application for a certificate of title containing
7 the name and address of the lienholder and the required fee.
8 The security interest is perfected as of the time of its
9 creation if the delivery to the Secretary of State is
10 completed within 30 days after the creation of the security
11 interest or receipt by the new lienholder of the existing
12 certificate of title from a prior lienholder or licensed
13 dealer, otherwise as of the time of the delivery.

14 (c) If a vehicle is subject to a security interest when
15 brought into this State, the validity of the security interest
16 is determined by the law of the jurisdiction where the vehicle
17 was when the security interest attached, subject to the
18 following:

19 1. If the parties understood at the time the security
20 interest attached that the vehicle would be kept in this
21 State and it was brought into this State within 30 days
22 thereafter for purposes other than transportation through
23 this State, the validity of the security interest in this
24 State is determined by the law of this State.

25 2. If the security interest was perfected under the
26 law of the jurisdiction where the vehicle was when the

1 security interest attached, the following rules apply:

2 (A) If the name of the lienholder is shown on an
3 existing certificate of title issued by that
4 jurisdiction, his security interest continues
5 perfected in this State.

6 (B) If the name of the lienholder is not shown on
7 an existing certificate of title issued by that
8 jurisdiction, a security interest may be perfected by
9 the lienholder delivering to the Secretary of State
10 the prescribed notice and by payment of the required
11 fee. Such security interest is perfected as of the
12 time of delivery of the prescribed notice and payment
13 of the required fee.

14 3. If the security interest was not perfected under
15 the law of the jurisdiction where the vehicle was when the
16 security interest attached, it may be perfected in this
17 State; in that case perfection dates from the time of
18 perfection in this State.

19 4. A security interest may be perfected under
20 paragraph 3 of this subsection either as provided in
21 subsection (b) or by the lienholder delivering to the
22 Secretary of State a notice of security interest in the
23 form the Secretary of State prescribes and the required
24 fee.

25 (d) Except as otherwise provided in Sections 3-116.1,
26 3-116.2, 3-207, and the Conveyance and Encumbrance of

1 Manufactured Homes as Real Property and Severance Act, after a
2 certificate of title has been issued for a manufactured home
3 and as long as the manufactured home is subject to any security
4 interest perfected pursuant to this Section, the Secretary of
5 State shall not file an affidavit of affixation, nor cancel
6 the Manufacturer's Statement of Origin, nor revoke the
7 certificate of title, nor issue a certificate of title under
8 Section 3-106, and, in any event, the validity and priority of
9 any security interest perfected pursuant to this Section shall
10 continue, notwithstanding the provision of any other law.

11 (e) A purchaser of a vehicle in this State who obtains a
12 security interest in a vehicle in good faith for value takes
13 free of any undisclosed liens unless the purchaser has notice
14 of such liens. Upon the perfection of such a security
15 interest, the Secretary shall invalidate the undisclosed
16 lienholder's interest in the vehicle subject to an
17 investigation by the Secretary of State Department of Police.

18 (Source: P.A. 98-749, eff. 7-16-14.)

19 (625 ILCS 5/3-209) (from Ch. 95 1/2, par. 3-209)

20 Sec. 3-209. Powers of Secretary of State.

21 (a) The Secretary of State shall prescribe and provide
22 suitable forms of applications, certificates of title, notices
23 of security interests, and all other notices and forms
24 necessary to carry out the provisions of this chapter.

25 (b) The Secretary of State may:

1 1. Make necessary investigations to procure information
2 required to carry out the provisions of this Act.†

3 2. Assign a new identifying number to a vehicle if it has
4 none, or its identifying number is destroyed or obliterated,
5 or its motor is changed, and shall either issue a new
6 certificate of title showing the new identifying number or
7 make an appropriate endorsement on the original certificate.

8 3. Remove a franchise affiliate's lien so that the
9 franchise affiliate may pursue the balance of the lien with
10 the defunct dealership instead of the constituent. This item
11 applies if a franchise dealer neglects to pay off a trade-in
12 vehicle's lien, and that lien is held by the franchise
13 affiliate. The Secretary shall make this determination
14 pursuant to an investigation by the Secretary of State
15 Department of Police.

16 (Source: P.A. 76-1586.)

17 (625 ILCS 5/3-403) (from Ch. 95 1/2, par. 3-403)

18 Sec. 3-403. Trip and Short-term permits.

19 (a) The Secretary of State may issue a short-term permit
20 to operate a nonregistered first or second division vehicle
21 within the State of Illinois for a period of not more than 7
22 days. Any second division vehicle operating on such permit may
23 operate only on empty weight. The fee for the short-term
24 permit shall be \$6 for permits purchased on or before June 30,
25 2003 and \$10 for permits purchased on or after July 1, 2003.

1 For short-term permits purchased on or after July 1, 2003, \$4
2 of the fee collected for the purchase of each permit shall be
3 deposited into the General Revenue Fund.

4 This permit may also be issued to operate an unladen
5 registered vehicle which is suspended under the Vehicle
6 Emissions Inspection Law and allow it to be driven on the roads
7 and highways of the State in order to be repaired or when
8 traveling ~~travelling~~ to and from an emissions inspection
9 station.

10 (b) The Secretary of State may, subject to reciprocal
11 agreements, arrangements or declarations made or entered into
12 pursuant to Section 3-402, 3-402.4 or by rule, provide for and
13 issue registration permits for the use of Illinois highways by
14 vehicles of the second division on an occasional basis or for a
15 specific and special short-term use, in compliance with rules
16 and regulations promulgated by the Secretary of State, and
17 upon payment of the prescribed fee as follows:

18 One-trip permits. A registration permit for one trip, or
19 one round-trip into and out of Illinois, for a period not to
20 exceed 72 consecutive hours or 3 calendar days may be
21 provided, for a fee as prescribed in Section 3-811.

22 Three-month ~~One-Month~~ permits. A registration permit for
23 90 ~~30~~ days may be provided for a fee of \$13 for registration
24 plus 1/10 of the flat weight tax. ~~The minimum fee for such~~
25 ~~permit shall be \$31.~~

26 In-transit permits. A registration permit for one trip may

1 be provided for vehicles in transit by the driveaway or
2 towaway method and operated by a transporter in compliance
3 with the Illinois Motor Carrier of Property Law, for a fee as
4 prescribed in Section 3-811.

5 Illinois Temporary Apportionment Authorization Permits. An
6 apportionment authorization permit for forty-five days for the
7 immediate operation of a vehicle upon application for and
8 prior to receiving apportioned credentials or interstate
9 credentials from the State of Illinois. The fee for such
10 permit shall be \$3.

11 Illinois Temporary Prorate Authorization Permit. A prorate
12 authorization permit for forty-five days for the immediate
13 operation of a vehicle upon application for and prior to
14 receiving prorate credentials or interstate credentials from
15 the State of Illinois. The fee for such permit shall be \$3.

16 (c) The Secretary of State shall promulgate by such rule
17 or regulation, schedules of fees and taxes for such permits
18 and in computing the amount or amounts due, may round off such
19 amount to the nearest full dollar amount.

20 (d) The Secretary of State shall further prescribe the
21 form of application and permit and may require such
22 information and data as necessary and proper, including
23 confirming the status or identity of the applicant and the
24 vehicle in question.

25 (e) Rules or regulations promulgated by the Secretary of
26 State under this Section shall provide for reasonable and

1 proper limitations and restrictions governing the application
2 for and issuance and use of permits, and shall provide for the
3 number of permits per vehicle or per applicant, so as to
4 preclude evasion of annual registration requirements as may be
5 required by this Act.

6 (f) Any permit under this Section is subject to suspension
7 or revocation under this Act, and in addition, any such permit
8 is subject to suspension or revocation should the Secretary of
9 State determine that the vehicle identified in any permit
10 should be properly registered in Illinois. In the event any
11 such permit is suspended or revoked, the permit is then null
12 and void, may not be re-instated, nor is a refund therefor
13 available. The vehicle identified in such permit may not
14 thereafter be operated in Illinois without being properly
15 registered as provided in this Chapter.

16 (Source: P.A. 92-680, eff. 7-16-02; 93-32, eff. 7-1-03.)

17 (625 ILCS 5/3-405.1) (from Ch. 95 1/2, par. 3-405.1)

18 Sec. 3-405.1. Application for vanity and personalized
19 license plates.

20 (a) Vanity license plates mean any license plates,
21 assigned to a passenger motor vehicle of the first division,
22 to a motor vehicle of the second division registered at not
23 more than 8,000 pounds, to a trailer weighing 8,000 pounds or
24 less paying the flat weight tax, to a funeral home vehicle, an
25 electric vehicle, or ~~to~~ a recreational vehicle, which display

1 a registration number containing 1 to 7 letters and no numbers
2 or 1, 2, or 3 numbers and no letters as requested by the owner
3 of the vehicle and license plates issued to retired members of
4 Congress under Section 3-610.1 or to retired members of the
5 General Assembly as provided in Section 3-606.1. Personalized
6 license plates mean any license plates, assigned to a
7 passenger motor vehicle of the first division, to a motor
8 vehicle of the second division registered at not more than
9 8,000 pounds, to a trailer weighing 8,000 pounds or less
10 paying the flat weight tax, to a funeral home vehicle, an
11 electric vehicle, or ~~to~~ a recreational vehicle, which display
12 a registration number containing one of the following
13 combinations of letters and numbers, as requested by the owner
14 of the vehicle:

15 Standard Passenger Plates

16 First Division Vehicles

17 1 letter plus 0-99

18 2 letters plus 0-99

19 3 letters plus 0-99

20 4 letters plus 0-99

21 5 letters plus 0-99

22 6 letters plus 0-9

23 Second Division Vehicles

1 8,000 pounds or less, Trailers
2 8,000 pounds or less paying the flat
3 weight tax, and Recreation Vehicles

4 0-999 plus 1 letter
5 0-999 plus 2 letters
6 0-999 plus 3 letters
7 0-99 plus 4 letters
8 0-9 plus 5 letters

9 (b) For any registration period commencing after December
10 31, 2003, any person who is the registered owner of a passenger
11 motor vehicle of the first division, of a motor vehicle of the
12 second division registered at not more than 8,000 pounds, of a
13 trailer weighing 8,000 pounds or less paying the flat weight
14 tax, of a funeral home vehicle, of an electric vehicle, or of a
15 recreational vehicle registered with the Secretary of State or
16 who makes application for an original registration of such a
17 motor vehicle or renewal registration of such a motor vehicle
18 may, upon payment of a fee prescribed in Section 3-806.1 or
19 Section 3-806.5, apply to the Secretary of State for vanity or
20 personalized license plates.

21 (c) Except as otherwise provided in this Chapter 3, vanity
22 and personalized license plates as issued under this Section
23 shall be the same color and design as other passenger vehicle
24 license plates or electric vehicle license plates and shall
25 not in any manner conflict with any other existing passenger,

1 commercial, trailer, motorcycle, or special license plate
2 series. However, special registration plates issued under
3 Sections 3-611 and 3-616 for vehicles operated by or for
4 persons with disabilities may also be vanity or personalized
5 license plates.

6 (d) Vanity and personalized license plates shall be issued
7 only to the registered owner of the vehicle on which they are
8 to be displayed, except as provided in Sections 3-611 and
9 3-616 for special registration plates for vehicles operated by
10 or for persons with disabilities.

11 (e) An applicant for the issuance of vanity or
12 personalized license plates or subsequent renewal thereof
13 shall file an application in such form and manner and by such
14 date as the Secretary of State may, in his discretion,
15 require.

16 No vanity nor personalized license plates shall be
17 approved, manufactured, or distributed that contain any
18 characters, symbols other than the international accessibility
19 symbol for vehicles operated by or for persons with
20 disabilities, foreign words, or letters of punctuation.

21 (f) Vanity and personalized license plates as issued
22 pursuant to this Act may be subject to the Staggered
23 Registration System as prescribed by the Secretary of State.

24 (g) For purposes of this Section, "funeral home vehicle"
25 means any motor vehicle of the first division or motor vehicle
26 of the second division weighing 8,000 pounds or less that is

1 owned or leased by a funeral home.

2 (h) As used in this Section, "electric vehicle" means any
3 vehicle that is required to be registered under Section 3-805.

4 (Source: P.A. 100-956, eff. 1-1-19.)

5 (625 ILCS 5/3-506)

6 Sec. 3-506. Transfer of plates to spouses of military
7 service members. Upon the death of a military service member
8 who has been issued a special plate under Section 3-609.1,
9 3-620, 3-621, 3-622, 3-623, 3-624, 3-625, 3-626, 3-628, 3-638,
10 3-642, 3-645, 3-647, 3-650, 3-651, 3-666, 3-667, 3-668, 3-669,
11 3-676, 3-677, 3-680, 3-681, 3-683, 3-686, 3-688, 3-693, 3-698,
12 3-699.12, 3-699.15, 3-699.16, ~~or~~ 3-699.17, 3-699.19, or
13 3-699.20 of this Code, the surviving spouse of that service
14 member may retain the plate so long as that spouse is a
15 resident of Illinois and transfers the registration to his or
16 her name within 180 days of the death of the service member.

17 For the purposes of this Section, "service member" means
18 any individual who is serving or has served in any branch of
19 the United States Armed Forces, including the National Guard
20 or other reserve components of the Armed Forces, and has been
21 issued a special plate listed in this Section.

22 (Source: P.A. 100-201, eff. 8-18-17; 101-51, eff. 7-12-19.)

23 (625 ILCS 5/3-802) (from Ch. 95 1/2, par. 3-802)

24 Sec. 3-802. Reclassifications and upgrades.

1 (a) Definitions. For the purposes of this Section, the
2 following words shall have the meanings ascribed to them as
3 follows:

4 "Reclassification" means changing the registration of
5 a vehicle from one plate category to another.

6 "Upgrade" means increasing the registered weight of a
7 vehicle within the same plate category.

8 (b) When reclassing the registration of a vehicle from one
9 plate category to another, the owner shall receive credit for
10 the unused portion of the present plate and be charged the
11 current portion fees for the new plate. In addition, the
12 appropriate replacement plate and replacement sticker fees
13 shall be assessed.

14 (b-5) Beginning with the 2019 registration year, any
15 individual who has a registration issued under either Section
16 3-405 or 3-405.1 that qualifies for a special license plate
17 under Section 3-609, 3-609.1, 3-620, 3-621, 3-622, 3-623,
18 3-624, 3-625, 3-626, 3-628, 3-638, 3-642, 3-645, 3-647, 3-650,
19 3-651, 3-664, 3-666, 3-667, 3-668, 3-669, 3-676, 3-677, 3-680,
20 3-681, 3-683, 3-686, 3-688, 3-693, 3-698, 3-699.12, 3-699.15,
21 3-699.16, 3-699.17, 3-699.19, or 3-699.20 ~~or 3-699.17~~ may
22 reclass his or her registration upon acquiring a special
23 license plate listed in this subsection (b-5) without a
24 replacement plate or digital plate fee or registration sticker
25 or digital registration sticker cost.

26 (b-10) Beginning with the 2019 registration year, any

1 individual who has a special license plate issued under
2 Section 3-609, 3-609.1, 3-620, 3-621, 3-622, 3-623, 3-624,
3 3-625, 3-626, 3-628, 3-638, 3-642, 3-645, 3-647, 3-650, 3-651,
4 3-664, 3-666, 3-667, 3-668, 3-669, 3-676, 3-677, 3-680, 3-681,
5 3-683, 3-686, 3-688, 3-693, 3-698, 3-699.12, or 3-699.17 may
6 reclass his or her special license plate upon acquiring a new
7 registration under Section 3-405 or 3-405.1 without a
8 replacement plate or digital plate fee or registration sticker
9 or digital registration sticker cost.

10 (c) When upgrading the weight of a registration within the
11 same plate category, the owner shall pay the difference in
12 current period fees between the 2 ~~two~~ plates. In addition, the
13 appropriate replacement plate and replacement sticker fees
14 shall be assessed. In the event new plates are not required,
15 the corrected registration card fee shall be assessed.

16 (d) In the event the owner of the vehicle desires to change
17 the registered weight and change the plate category, the owner
18 shall receive credit for the unused portion of the
19 registration fee of the current plate and pay the current
20 portion of the registration fee for the new plate, and in
21 addition, pay the appropriate replacement plate and
22 replacement sticker fees.

23 (e) Reclassing from one plate category to another plate
24 category can be done only once within any registration period.

25 (f) No refunds shall be made in any of the circumstances
26 found in subsection (b), subsection (c), or subsection (d);

1 however, when reclassing from a flat weight plate to an
2 apportioned plate, a refund may be issued if the credit
3 amounts to an overpayment.

4 (g) In the event the registration of a vehicle registered
5 under the mileage tax option is revoked, the owner shall be
6 required to pay the annual registration fee in the new plate
7 category and shall not receive any credit for the mileage
8 plate fees.

9 (h) Certain special interest plates may be displayed on
10 first division vehicles, second division vehicles weighing
11 8,000 pounds or less, and recreational vehicles. Those plates
12 can be transferred within those vehicle groups.

13 (i) Plates displayed on second division vehicles weighing
14 8,000 pounds or less and passenger vehicle plates may be
15 reclassified from one division to the other.

16 (j) Other than in subsection (i), reclassing from one
17 division to the other division is prohibited. In addition, a
18 reclass from a motor vehicle to a trailer or a trailer to a
19 motor vehicle is prohibited.

20 (Source: P.A. 100-246, eff. 1-1-18; 100-450, eff. 1-1-18;
21 100-863, eff. 8-14-18; 101-51, eff. 7-12-19; 101-395, eff.
22 8-16-19; revised 9-24-19.)

23 (625 ILCS 5/3-805) (from Ch. 95 1/2, par. 3-805)

24 Sec. 3-805. Electric vehicles.

25 (a) The ~~Until January 1, 2020, the~~ owner of a motor vehicle

1 of the first division or a motor vehicle of the second division
2 weighing 8,000 pounds or less propelled by an electric engine
3 and not utilizing motor fuel, may register such vehicle for a
4 ~~fee not to exceed \$35 for a 2-year registration period. The~~
5 ~~Secretary may, in his discretion, prescribe that electric~~
6 ~~vehicle registration plates be issued for an indefinite term,~~
7 ~~such term to correspond to the term of registration plates~~
8 ~~issued generally, as provided in Section 3-414.1. In no event~~
9 ~~may the registration fee for electric vehicles exceed \$18 per~~
10 ~~registration year. Beginning on January 1, 2020, the~~
11 registration fee ~~for these vehicles shall be~~ equal to the fee
12 set forth in Section 3-806 for motor vehicles of the first
13 division, other than Autocycles, Motorcycles, Motor Driven
14 Cycles, and Pedalcycles. In addition to the registration fees,
15 the Secretary shall assess an additional \$100 per year in lieu
16 of the payment of motor fuel taxes. \$1 of the additional fees
17 shall be deposited into the Secretary of State Special
18 Services Fund and the remainder of the additional fees shall
19 be deposited into the Road Fund.

20 (b) Beginning with the 2023 registration year, upon the
21 request of the vehicle owner, an electric vehicle owner may
22 register an electric vehicle with any qualifying registration
23 issued under this Chapter, and an additional \$100 surcharge
24 shall be collected in addition to the applicable registration
25 fee. The \$100 additional fee is to identify the vehicle as an
26 electric vehicle. The \$100 additional fee is an annual, flat

1 fee that shall be based on an applicant's new or existing
2 registration year for the vehicle's corresponding weight
3 category. A designation as an electric vehicle under this
4 subsection shall not alter a vehicle's registration. Of the
5 additional fees, \$1 shall be deposited into the Secretary of
6 State Special Services Fund, and the remainder of the
7 additional fees shall be deposited into the Road Fund. The
8 Secretary shall adopt any rules necessary to implement this
9 subsection (b).

10 (Source: P.A. 101-32, eff. 6-28-19.)

11 (625 ILCS 5/3-806.1) (from Ch. 95 1/2, par. 3-806.1)

12 Sec. 3-806.1. Additional fees for vanity license plates.
13 In addition to the regular registration fee or electric
14 vehicle registration fee, an applicant for a vanity license
15 plate, other than a vanity plate in any military series or a
16 vanity plate issued under Section 3-664, shall be charged \$94
17 for each set of vanity license plates issued to a vehicle of
18 the first division or a vehicle of the second division
19 registered at not more than 8,000 pounds or to a recreational
20 vehicle and \$50 for each set of vanity plates issued to an
21 autocycle or motorcycle. In addition to the regular renewal
22 fee or electric vehicle registration renewal fee, an applicant
23 for a vanity plate, other than a vanity plate in any military
24 series or a vanity plate issued under Section 3-664, shall be
25 charged \$13 for the renewal of each set of vanity license

1 plates. There shall be no additional fees for a vanity license
2 plate in any military series of plates or a vanity plate issued
3 under Section 3-664.

4 (Source: P.A. 98-777, eff. 1-1-15.)

5 (625 ILCS 5/3-806.5)

6 Sec. 3-806.5. Additional fees for personalized license
7 plates. For registration periods commencing after December 31,
8 2003, in addition to the regular registration fee or electric
9 vehicle registration fee, an applicant for a personalized
10 license plate, other than a personalized plate in any military
11 series or a personalized plate issued under Section 3-664,
12 shall be charged \$47 for each set of personalized license
13 plates issued to a vehicle of the first division or a vehicle
14 of the second division registered at not more than 8,000
15 pounds or to a recreational vehicle and \$25 for each set of
16 personalized plates issued to an autocycle or motorcycle. In
17 addition to the regular renewal fee or electric vehicle
18 registration renewal fee, an applicant for a personalized
19 plate other than a personalized plate in any military series
20 or a personalized plate issued under Section 3-664, shall be
21 charged \$7 for the renewal of each set of personalized license
22 plates. There shall be no additional fees charged for a
23 personalized plate in any military series of plates or a
24 personalized plate issued under Section 3-664. Of the money
25 received by the Secretary of State as additional fees for

1 personalized license plates, 50% shall be deposited into the
2 Secretary of State Special License Plate Fund and 50% shall be
3 deposited into the General Revenue Fund.

4 (Source: P.A. 98-777, eff. 1-1-15.)

5 (625 ILCS 5/5-100) (from Ch. 95 1/2, par. 5-100)

6 Sec. 5-100. Definitions. For the purposes of this Chapter,
7 the following words shall have the meanings ascribed to them
8 as follows:

9 "Additional place of business" means a place owned or
10 leased and occupied by the dealer in addition to its
11 established place of business, at which the dealer conducts or
12 intends to conduct business on a permanent or long term basis.
13 The term does not include an area where an off site sale or
14 exhibition is conducted. The Secretary of State shall adopt
15 guidelines for the administration and enforcement of this
16 definition by rule.

17 "Display exhibition" means a temporary display of vehicles
18 by a dealer licensed under Section 5-101 or 5-102, at a
19 location at which no vehicles are offered for sale, that is
20 conducted at a place other than the dealer's established and
21 additional places of business.

22 "Established place of business" means the place owned or
23 leased and occupied by any person duly licensed or required to
24 be licensed as a dealer for the purpose of engaging in selling,
25 buying, bartering, displaying, exchanging or dealing in, on

1 consignment or otherwise, vehicles and their essential parts
2 and for such other ancillary purposes as may be permitted by
3 the Secretary by rule. It shall include an office in which the
4 dealer's records shall be separate and distinct from any other
5 business or tenant which may occupy space in the same building
6 except as provided in Section 5-101.1. This office shall not
7 be located in a house trailer, residence, tent, temporary
8 stand, temporary address, room or rooms in a hotel or rooming
9 house, nor the premises occupied by a single or multiple unit
10 residence. "Established place of business" only includes a
11 place with an outdoor lot capable of parking at least 5
12 vehicles or an indoor lot with space for a minimum of one
13 vehicle to be parked in its indoor showroom. The established
14 place of business of a scrap processor shall be the fixed
15 location where the scrap processor maintains its principal
16 place of business. The Secretary of State shall, by rule and
17 regulation, adopt guidelines for the administration and
18 enforcement of this definition, such as, but not limited to
19 issues concerning the required hours of operation, describing
20 where vehicles are displayed and offered for sale, where books
21 and records are maintained and requirements for the
22 fulfillment of warranties. A dealer may have an additional
23 place of business as defined under this Section.

24 "Motor vehicle financing affiliate" means a business
25 organization registered to do business in Illinois that,
26 pursuant to a written contract with either (1) a single new or

1 used motor vehicle dealer or (2) a single group of new or used
2 motor vehicle dealers that share a common ownership within the
3 group, purchases new or used motor vehicles on behalf of the
4 dealer or group of dealers and then sells, transfers, or
5 assigns those motor vehicles to the dealer or group of
6 dealers. The motor vehicle financing affiliate must be
7 incorporated or organized solely to purchase new or used
8 vehicles on behalf of the new or used motor vehicle dealer or
9 group of dealers with which it has contracted, shall not sell
10 motor vehicles at retail, shall perform only those business
11 functions related to the purchasing of motor vehicles and
12 selling, transferring, or assigning those motor vehicles to
13 the dealer or group of dealers. The motor vehicle financing
14 affiliate must be licensed under the provisions of Section
15 5-101.1 and must not be licensed as a new or used motor vehicle
16 dealer.

17 "Off site sale" means the temporary display and sale of
18 vehicles, for a period of not more than 7 calendar days
19 (excluding Sundays), by a dealer licensed under Section 5-101
20 or 5-102 at a place other than the dealer's established and
21 additional places of business.

22 "Relevant market area", for a new vehicle dealer licensed
23 under Section 5-101 and for a used vehicle dealer licensed
24 under Section 5-102, means the area within 10 miles of the
25 established or additional place of business of the dealer
26 located in a county with a population of 300,000 or more, or

1 within 15 miles if the established place of business is
2 located in a county with a population of less than 300,000.

3 "Trade show exhibition" means a temporary display of
4 vehicles, by dealers licensed under Section 5-101 or 5-102, or
5 any other person as defined in subsection (c) of Section
6 5-102.1, at a location at which no vehicles are offered for
7 sale that is conducted at a place other than the dealer's
8 established and additional places of business. In order for a
9 display exhibition to be considered a trade show exhibition,
10 it must be participated in by at least 3 dealers, 2 of which
11 must be licensed under Section 5-101 or 5-102; and a trade show
12 exhibition of new vehicles shall only be participated in by
13 licensed new vehicle dealers at least 2 of which must be
14 licensed under Section 5-101.

15 (Source: P.A. 90-89, eff. 1-1-98; 91-415, eff. 1-1-00.)

16 (625 ILCS 5/5-101) (from Ch. 95 1/2, par. 5-101)

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

18 (a) No person shall engage in this State in the business of
19 selling or dealing in, on consignment or otherwise, new
20 vehicles of any make, or act as an intermediary or agent or
21 broker for any licensed dealer or vehicle purchaser other than
22 as a salesperson, or represent or advertise that he is so
23 engaged or intends to so engage in such business unless
24 licensed to do so in writing by the Secretary of State under
25 the provisions of this Section.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 (i) \$1,000 for applicant's established place of
2 business, and \$100 for each additional place of
3 business, if any, to which the application pertains;
4 but if the application is made after June 15 of any
5 year, the license fee shall be \$500 for applicant's
6 established place of business plus \$50 for each
7 additional place of business, if any, to which the
8 application pertains. License fees shall be returnable
9 only in the event that the application is denied by the
10 Secretary of State. All moneys received by the
11 Secretary of State as license fees under this
12 subparagraph (i) prior to applications for the 2004
13 licensing year shall be deposited into the Motor
14 Vehicle Review Board Fund and shall be used to
15 administer the Motor Vehicle Review Board under the
16 Motor Vehicle Franchise Act. Of the money received by
17 the Secretary of State as license fees under this
18 subparagraph (i) for the 2004 licensing year and
19 thereafter, 10% shall be deposited into the Motor
20 Vehicle Review Board Fund and shall be used to
21 administer the Motor Vehicle Review Board under the
22 Motor Vehicle Franchise Act and 90% shall be deposited
23 into the General Revenue Fund.

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

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

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

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

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

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

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

25 (B) An application for a new vehicle dealer's license,
26 other than for a new motor vehicle dealer's license, shall

1 be accompanied by the following license fees:

2 (i) \$1,000 for applicant's established place of
3 business, and \$50 for each additional place of
4 business, if any, to which the application pertains;
5 but if the application is made after June 15 of any
6 year, the license fee shall be \$500 for applicant's
7 established place of business plus \$25 for each
8 additional place of business, if any, to which the
9 application pertains. License fees shall be returnable
10 only in the event that the application is denied by the
11 Secretary of State. Of the money received by the
12 Secretary of State as license fees under this
13 subparagraph (i) for the 2004 licensing year and
14 thereafter, 95% shall be deposited into the General
15 Revenue Fund.

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

1 denied by the Secretary of State. Moneys received
2 under this subparagraph (ii) shall be deposited into
3 the Dealer Recovery Trust Fund.

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

12 (A) The Anti-Theft Laws of the Illinois Vehicle
13 Code;

14 (B) The Certificate of Title Laws of the Illinois
15 Vehicle Code;

16 (C) The Offenses against Registration and
17 Certificates of Title Laws of the Illinois Vehicle
18 Code;

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

21 (E) Section 21-2 of the Criminal Code of 1961 or
22 the Criminal Code of 2012, Criminal Trespass to
23 Vehicles; or

24 (F) The Retailers' Occupation Tax Act.

25 9. A statement that the applicant's officers,
26 directors, shareholders having a 10% or greater ownership

1 interest therein, proprietor, partner, member, officer,
2 director, trustee, manager or other principals in the
3 business have not committed in any calendar year 3 or more
4 violations, as determined in any civil, criminal or
5 administrative proceedings, of any one or more of the
6 following Acts:

7 (A) The Consumer Finance Act;

8 (B) The Consumer Installment Loan Act;

9 (C) The Retail Installment Sales Act;

10 (D) The Motor Vehicle Retail Installment Sales
11 Act;

12 (E) The Interest Act;

13 (F) The Illinois Wage Assignment Act;

14 (G) Part 8 of Article XII of the Code of Civil
15 Procedure; or

16 (H) The Consumer Fraud Act.

17 9.5. A statement that, within 10 years of application,
18 each officer, director, shareholder having a 10% or
19 greater ownership interest therein, proprietor, partner,
20 member, officer, director, trustee, manager, or other
21 principal in the business of the applicant has not
22 committed, as determined in any civil, criminal, or
23 administrative proceeding, in any calendar year one or
24 more forcible felonies under the Criminal Code of 1961 or
25 the Criminal Code of 2012, or a violation of either or both
26 Article 16 or 17 of the Criminal Code of 1961 or a

1 violation of either or both Article 16 or 17 of the
2 Criminal Code of 2012, Article 29B of the Criminal Code of
3 1961 or the Criminal Code of 2012, or a similar
4 out-of-state offense. For the purposes of this paragraph,
5 "forcible felony" has the meaning provided in Section 2-8
6 of the Criminal Code of 2012.

7 10. A bond or certificate of deposit in the amount of
8 \$50,000 for each location at which the applicant intends
9 to act as a new vehicle dealer. The bond shall be for the
10 term of the license, or its renewal, for which application
11 is made, and shall expire not sooner than December 31 of
12 the year for which the license was issued or renewed. The
13 bond shall run to the People of the State of Illinois, with
14 surety by a bonding or insurance company authorized to do
15 business in this State. It shall be conditioned upon the
16 proper transmittal of all title and registration fees and
17 taxes (excluding taxes under the Retailers' Occupation Tax
18 Act) accepted by the applicant as a new vehicle dealer.

19 11. Such other information concerning the business of
20 the applicant as the Secretary of State may by rule or
21 regulation prescribe.

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

24 13. The full name, address, and contact information of
25 each of the dealer's agents or legal representatives who
26 is an Illinois resident and liable for the performance of

1 the dealership.

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

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

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

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

16 (e) The Secretary of State shall, within a reasonable time
17 after receipt, examine an application submitted to him under
18 this Section and unless he makes a determination that the
19 application submitted to him does not conform with the
20 requirements of this Section or that grounds exist for a
21 denial of the application, under Section 5-501 of this
22 Chapter, grant the applicant an original new vehicle dealer's
23 license in writing for his established place of business and a
24 supplemental license in writing for each additional place of
25 business in such form as he may prescribe by rule or regulation
26 which shall include the following:

1 1. The name of the person licensed;

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

8 3. In the case of an original license, the established
9 place of business of the licensee;

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

14 5. The make or makes of new vehicles which the
15 licensee is licensed to sell;

16 6. The full name, address, and contact information of
17 each of the dealer's agents or legal representatives who
18 is an Illinois resident and liable for the performance of
19 the dealership.

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

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

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

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

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

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

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

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

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

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

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

5 (j) Except at the time of sale or repossession of the
6 vehicle, no person licensed as a new vehicle dealer may issue
7 any other person a newly created key to a vehicle unless the
8 new vehicle dealer makes a color photocopy or electronic scan
9 of the driver's license or State identification card of the
10 person requesting or obtaining the newly created key. The new
11 vehicle dealer must retain the photocopy or scan for 30 days.

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

16 This amendatory Act of 1983 shall be applicable to the
17 1984 registration year and thereafter.

18 (k) Only a licensed dealer under this Section may use the
19 reassignment portion included on a certificate of title to
20 reassign a vehicle to another licensed dealer under this
21 Chapter.

22 (l) If a licensee under this Section voluntarily
23 surrenders a license to the Illinois Secretary of State Police
24 or a representative of the Secretary of State Vehicle Services
25 Department due to the licensee's inability to adhere to
26 recordkeeping provisions, or the inability to properly issue

1 certificates of title or registrations under this Code, or the
2 Secretary revokes a license under this Section, then the
3 licensee and the licensee's agent, designee, or legal
4 representative, if applicable, may not be named on a new
5 application for a licensee under this Section or under this
6 Chapter, nor is the licensee or the licensee's agent,
7 designee, or legal representative permitted to work for
8 another licensee under this Chapter in a recordkeeping,
9 management, or financial position or as an employee who
10 handles certificate of title and registration documents and
11 applications.

12 (Source: P.A. 100-450, eff. 1-1-18; 100-956, eff. 1-1-19;
13 101-505, eff. 1-1-20.)

14 (625 ILCS 5/5-101.1)

15 Sec. 5-101.1. Motor vehicle financing affiliates;
16 licensing.

17 (a) In this State no business shall engage in the business
18 of a motor vehicle financing affiliate without a license to do
19 so in writing from the Secretary of State.

20 (b) An application for a motor vehicle financing
21 affiliate's license must be filed with the Secretary of State,
22 duly verified by oath, on a form prescribed by the Secretary of
23 State and shall contain all of the following:

24 (1) The name and type of business organization of the
25 applicant and the applicant's established place of

1 business and any additional places of business in this
2 State.

3 (2) The name and address of the licensed new or used
4 vehicle dealer to which the applicant will be selling,
5 transferring, or assigning new or used motor vehicles
6 pursuant to a written contract. If more than one dealer is
7 on the application, the applicant shall state in writing
8 the basis of common ownership among the dealers.

9 (3) A list of the business organization's officers,
10 directors, members, and shareholders having a 10% or
11 greater ownership interest in the business, providing the
12 residential address for each person listed.

13 (4) If selling, transferring, or assigning new motor
14 vehicles, the make or makes of new vehicles that it will
15 sell, assign, or otherwise transfer to the contracting new
16 motor vehicle dealer listed on the application pursuant to
17 paragraph (2).

18 (5) The name of each manufacturer or franchised
19 distributor, if any, of new vehicles with whom the
20 applicant has contracted for the sale of new vehicles and
21 a signed statement from each manufacturer or franchised
22 distributor acknowledging the contract.

23 (6) A statement that the applicant has been approved
24 for registration under the Retailers' Occupation Tax Act
25 by the Department of Revenue. This requirement does not
26 apply to a motor vehicle financing affiliate that is

1 already licensed with the Secretary of State and is
2 applying for a renewal of its license.

3 (7) A statement that the applicant has complied with
4 the appropriate liability insurance requirement and a
5 Certificate of Insurance that shall not expire before
6 December 31 of the year for which the license was issued or
7 renewed with a minimum liability coverage of \$100,000 for
8 the bodily injury or death of any person, \$300,000 for the
9 bodily injury or death of 2 or more persons in any one
10 accident, and \$50,000 for damage to property. The
11 expiration of the insurance policy shall not terminate the
12 liability under the policy arising during the period for
13 which the policy was filed. Trailer and mobile home
14 dealers are exempt from the requirements of this
15 paragraph. A motor vehicle financing affiliate is exempt
16 from the requirements of this paragraph if it is covered
17 by the insurance policy of the new or used dealer listed on
18 the application pursuant to paragraph (2).

19 (8) A license fee of \$1,000 for the applicant's
20 established place of business and \$250 for each additional
21 place of business, if any, to which the application
22 pertains. However, if the application is made after June
23 15 of any year, the license fee shall be \$500 for the
24 applicant's established place of business and \$125 for
25 each additional place of business, if any, to which the
26 application pertains. These license fees shall be

1 returnable only in the event that the application is
2 denied by the Secretary of State.

3 (9) A statement incorporating the requirements of
4 paragraphs 8 and 9 of subsection (b) of Section 5-101.

5 (10) Any other information concerning the business of
6 the applicant as the Secretary of State may prescribe.

7 (11) A statement that the applicant understands
8 Chapter 1 through Chapter 5 of this Code.

9 (12) The full name, address, and contact information
10 of each of the dealer's agents or legal representatives
11 who is an Illinois resident and liable for the performance
12 of the dealership.

13 (c) Any change which renders no longer accurate any
14 information contained in any application for a motor vehicle
15 financing affiliate's license shall be amended within 30 days
16 after the occurrence of the change on a form prescribed by the
17 Secretary of State, accompanied by an amendatory fee of \$2.

18 (d) If a new vehicle dealer is not listed on the
19 application, pursuant to paragraph (2) of subsection (b), the
20 motor vehicle financing affiliate shall not receive, possess,
21 or transfer any new vehicle. If a new motor vehicle dealer is
22 listed on the application, pursuant to paragraph (2) of
23 subsection (b), the new motor vehicle dealer can only receive
24 those new cars it is permitted to receive under its franchise
25 agreement. If both a new and used motor vehicle dealer are
26 listed on the application, pursuant to paragraph (2) of

1 subsection (b), only the new motor vehicle dealer may receive
2 new motor vehicles. If a used motor vehicle is listed on the
3 application, pursuant to paragraph (2) of subsection (b), the
4 used motor vehicle dealer shall not receive any new motor
5 vehicles.

6 (e) The applicant and dealer provided pursuant to
7 paragraph (2) of subsection (b) must be business organizations
8 registered to conduct business in Illinois. Three-fourths of
9 the dealer's board of directors must be members of the motor
10 vehicle financing affiliate's board of directors, if
11 applicable.

12 (f) Unless otherwise provided in this Chapter 5, no
13 business organization registered to do business in Illinois
14 shall be licensed as a motor vehicle financing affiliate
15 unless:

16 (1) The motor vehicle financing affiliate shall only
17 sell, transfer, or assign motor vehicles to the licensed
18 new or used dealer listed on the application pursuant to
19 paragraph (2) of subsection (b).

20 (2) The motor vehicle financing affiliate sells,
21 transfers, or assigns to the new motor vehicle dealer
22 listed on the application, if any, only those new motor
23 vehicles the motor vehicle financing affiliate has
24 received under the contract set forth in paragraph (5) of
25 subsection (b).

26 (3) Any new vehicle dealer listed pursuant to

1 paragraph (2) of subsection (b) has a franchise agreement
2 that permits the dealer to receive motor vehicles from the
3 motor vehicle franchise affiliate.

4 (4) The new or used motor vehicle dealer listed on the
5 application pursuant to paragraph (2) of subsection (b)
6 has one established place of business or supplemental
7 places of business as referenced in subsection (g).

8 (g) The Secretary of State shall, within a reasonable time
9 after receipt, examine an application submitted pursuant to
10 this Section and, unless it is determined that the application
11 does not conform with the requirements of this Section or that
12 grounds exist for a denial of the application under Section
13 5-501, grant the applicant a motor vehicle financing affiliate
14 license in writing for the applicant's established place of
15 business and a supplemental license in writing for each
16 additional place of business in a form prescribed by the
17 Secretary, which shall include all of the following:

18 (1) The name of the business licensed;

19 (2) The name and address of its officers, directors,
20 or members, as applicable;

21 (3) In the case of an original license, the
22 established place of business of the licensee; ~~and~~

23 (4) If applicable, the make or makes of new vehicles
24 which the licensee is licensed to sell to the new motor
25 vehicle dealer listed on the application pursuant to
26 paragraph (2) of subsection (b); and.

1 (5) The full name, address, and contact information of
2 each of the dealer's agents or legal representatives who
3 is an Illinois resident and liable for the performance of
4 the dealership.

5 (h) The appropriate instrument evidencing the license or a
6 certified copy, provided by the Secretary of State, shall be
7 kept posted conspicuously in the established place of business
8 of the licensee.

9 (i) Except as provided in subsection (h), all motor
10 vehicle financing affiliate's licenses granted under this
11 Section shall expired by operation of law on December 31 of the
12 calendar year for which they are granted, unless revoked or
13 canceled at an earlier date pursuant to Section 5-501.

14 (j) A motor vehicle financing affiliate's license may be
15 renewed upon application and payment of the required fee.
16 However, when an application for renewal of a motor vehicle
17 financing affiliate's license is made during the month of
18 December, the effective license shall remain in force until
19 the application is granted or denied by the Secretary of
20 State.

21 (k) The contract a motor vehicle financing affiliate has
22 with a manufacturer or franchised distributor, as provided in
23 paragraph (5) of subsection (b), shall only permit the
24 applicant to sell, transfer, or assign new motor vehicles to
25 the new motor vehicle dealer listed on the application
26 pursuant to paragraph (2) of subsection (b). The contract

1 shall specifically prohibit the motor vehicle financing
2 affiliate from selling motor vehicles at retail. This contract
3 shall not be considered the granting of a franchise as defined
4 in Section 2 of the Motor Vehicle Franchise Act.

5 (1) When purchasing of a motor vehicle by a new or used
6 motor vehicle dealer, all persons licensed as a motor vehicle
7 financing affiliate are required to furnish all of the
8 following:

9 (1) For a new vehicle, a manufacturer's statement of
10 origin properly assigned to the purchasing dealer. For a
11 used vehicle, a certificate of title properly assigned to
12 the purchasing dealer.

13 (2) A statement verified under oath that all
14 identifying numbers on the vehicle agree with those on the
15 certificate of title or manufacturer's statement of
16 origin.

17 (3) A bill of sale properly executed on behalf of the
18 purchasing dealer.

19 (4) A copy of the Uniform Invoice-transaction report
20 pursuant to Section 5-402.

21 (5) In the case of a rebuilt vehicle, a copy of the
22 Disclosure of Rebuilt Vehicle Status pursuant to Section
23 5-104.3.

24 (6) In the case of a vehicle for which a warranty has
25 been reinstated, a copy of the warranty.

26 (m) The motor vehicle financing affiliate shall use the

1 established and supplemental place or places of business the
2 new or used vehicle dealer listed on the application pursuant
3 to paragraph (2) of subsection (b) as its established and
4 supplemental place or places of business.

5 (n) The motor vehicle financing affiliate shall keep all
6 books and records required by this Code with the books and
7 records of the new or used vehicle dealer listed on the
8 application pursuant to paragraph (2) of subsection (b). The
9 motor vehicle financing affiliate may use the books and
10 records of the new or used motor vehicle dealer listed on the
11 application pursuant to paragraph (2) of subsection (b).

12 (o) Under no circumstances shall a motor vehicle financing
13 affiliate sell, transfer, or assign a new vehicle to any place
14 of business of a new motor vehicle dealer, unless that place of
15 business is licensed under this Chapter to sell, assign, or
16 otherwise transfer the make of the new motor vehicle
17 transferred.

18 (p) All moneys received by the Secretary of State as
19 license fees under this Section shall be deposited into the
20 Motor Vehicle Review Board Fund and shall be used to
21 administer the Motor Vehicle Review Board under the Motor
22 Vehicle Franchise Act.

23 (q) Except as otherwise provided in this Section, a motor
24 vehicle financing affiliate shall comply with all provisions
25 of this Code.

26 (r) If a licensee under this Section voluntarily

1 surrenders a license to the Illinois Secretary of State Police
2 or a representative of the Secretary of State Vehicle Services
3 Department due to the licensee's inability to adhere to
4 recordkeeping provisions, or the inability to properly issue
5 certificates of title or registrations under this Code, or the
6 Secretary revokes a license under this Section, then the
7 licensee and the licensee's agent, designee, or legal
8 representative, if applicable, may not be named on a new
9 application for a license under this Section or under this
10 Chapter, nor is the licensee or the licensee's agent,
11 designee, or legal representative permitted to work for
12 another licensee under this Chapter in a recordkeeping,
13 management, or financial position or as an employee who
14 handles certificate of title and registration documents and
15 applications.

16 (Source: P.A. 91-415, eff. 1-1-00.)

17 (625 ILCS 5/5-101.2)

18 Sec. 5-101.2. Manufactured home dealers; licensing.

19 (a) For the purposes of this Section, the following words
20 shall have the meanings ascribed to them as follows:

21 "Community-based manufactured home dealer" means an
22 individual or entity that operates a tract of land or 2 or
23 more contiguous tracts of land which contain sites with
24 the necessary utilities for 5 or more independent
25 manufactured homes for permanent habitation, either free

1 of charge or for revenue purposes, and shall include any
2 building, structure, vehicle, or enclosure used or
3 intended for use as a part of the equipment of the
4 manufactured home park who may, incidental to the
5 operation of the manufactured home community, sell, trade,
6 or buy no more than 2 manufactured homes or park models per
7 calendar year that are located within the manufactured
8 home community pursuant to a franchise agreement or
9 similar agreement with a manufacturer, or used
10 manufactured homes or park models located within the
11 manufactured home community or additional place of
12 business that is owned or managed by the community-based
13 manufactured home dealer.

14 "Established place of business" means the place owned
15 or leased and occupied by any person duly licensed or
16 required to be licensed as a manufactured home dealer or a
17 community-based manufactured home dealer for the purpose
18 of engaging in selling, buying, bartering, displaying,
19 exchanging, or dealing in, on consignment or otherwise,
20 manufactured homes or park models and for such other
21 ancillary purposes as may be permitted by the Secretary by
22 rule. An established place of business shall include a
23 single or central office in which the manufactured home
24 dealer's or community-based manufactured home dealer's
25 records shall be separate and distinct from any other
26 business or tenant which may occupy space in the same

1 building, except as provided in this Section, and the
2 office shall not be located in a tent, temporary stand,
3 temporary address, room or rooms in a hotel or rooming
4 house, nor the premises occupied by a single or multiple
5 unit residence, unless the multiple unit residence has a
6 separate and distinct office.

7 "Manufactured home" means a factory assembled
8 structure built on a permanent chassis, transportable in
9 one or more sections in the travel mode, incapable of
10 self-propulsion, and bears a label indicating the
11 manufacturer's compliance with the United States
12 Department of Housing and Urban Development standards, as
13 applicable, that is without a permanent foundation and is
14 designed for year round occupancy as a single-family
15 residence when connected to approved water, sewer, and
16 electrical utilities.

17 "Manufactured home dealer" means an individual or
18 entity that engages in the business of acquiring or
19 disposing of a manufactured home or park model, either a
20 new manufactured home or park model, pursuant to a
21 franchise agreement with a manufacturer, or used
22 manufactured homes or park models, and who has an
23 established place of business that is not in a residential
24 community-based setting.

25 "Park model" means a vehicle that is incapable of
26 self-propulsion that is less than 400 square feet of

1 habitable space that is built to American National
2 Standards Institute (ANSI) standards that prohibits
3 occupancy on a permanent basis and is built on a vehicle
4 chassis.

5 "Supplemental license" means a license that a
6 community-based manufactured home dealer receives and
7 displays at locations in which the licensee is authorized
8 to sell, buy, barter, display, exchange, or deal in, on
9 consignment or otherwise, manufactured homes or park
10 models, but is not the established place of business of
11 the licensee.

12 (b) No person shall engage in this State in the business of
13 selling or dealing in, on consignment or otherwise,
14 manufactured homes or park models of any make, or act as an
15 intermediary, agent, or broker for any manufactured home or
16 park model purchaser, other than as a salesperson or to
17 represent or advertise that he or she is so engaged, or intends
18 to so engage, in the business, unless licensed to do so by the
19 Secretary of State under the provisions of this Section.

20 (c) An application for a manufactured home dealer's
21 license or a community-based manufactured home dealer's
22 license shall be filed with the Secretary of State and duly
23 verified by oath, on such form as the Secretary of State may by
24 rule prescribe and shall contain all of the following:

25 (1) The name and type of business organization of the
26 applicant, and his or her established and additional

1 places of business, if any, in this State.

2 (2) If the applicant is a corporation, a list of its
3 officers, directors, and shareholders having a 10% or
4 greater ownership interest in the corporation. If the
5 applicant is a sole proprietorship, a partnership, a
6 limited liability company, an unincorporated association,
7 a trust, or any similar form of business organization, the
8 name and residence address of the proprietor, or the name
9 and residence address of each partner, member, officer,
10 director, trustee, or manager.

11 (3) The make or makes of new manufactured homes or
12 park models that the applicant will offer for sale at
13 retail in the State.

14 (4) The name of each manufacturer or franchised
15 distributor, if any, of new manufactured homes or park
16 models with whom the applicant has contracted for the sale
17 of new manufactured homes or park models. As evidence of
18 this fact, the application shall be accompanied by a
19 signed statement from each manufacturer or franchised
20 distributor.

21 (5) A statement that the applicant has been approved
22 for registration under the Retailers' Occupation Tax Act
23 by the Department of Revenue, provided that this
24 requirement does not apply to a manufactured home dealer
25 who is already licensed with the Secretary of State, and
26 who is merely applying for a renewal of his or her license.

1 As evidence of this fact, the application shall be
2 accompanied by a certification from the Department of
3 Revenue showing that the Department has approved the
4 applicant for registration under the Retailers' Occupation
5 Tax Act.

6 (6) An application for:

7 (A) a manufactured home dealer's license, when the
8 applicant is selling new manufactured homes or park
9 models on behalf of a manufacturer of manufactured
10 homes or park models, or 5 or more used manufactured
11 homes or park models during the calendar year, shall
12 be accompanied by a \$1,000 license fee for the
13 applicant's established place of business, and \$100
14 for each additional place of business, if any, to
15 which the application pertains. If the application is
16 made after June 15 in any year, the license fee shall
17 be \$500 for the applicant's established place of
18 business, and \$50 for each additional place of
19 business, if any, to which the application pertains.
20 License fees shall be returnable only in the event
21 that the application is denied by the Secretary of
22 State; or

23 (B) a community-based manufactured home dealer's
24 license, when the applicant is selling new
25 manufactured homes or park models on behalf of a
26 manufacturer of manufactured homes or park models, or

1 5 or more used manufactured homes or park models
2 during the calendar year, but within a community
3 setting, shall be accompanied by a license fee of \$500
4 for the applicant's established place of business, and
5 \$50 for each additional place of business within a
6 50-mile radius of the established place of business,
7 if any to which the application pertains. If the
8 application is made after June 15 in any year, the
9 license fee shall be \$250 for the applicant's
10 established place of business, and \$50 for each
11 additional place of business, if any, to which the
12 application pertains. License fees shall be returnable
13 only in the event that the application is denied by the
14 Secretary of State.

15 Of the monies received by the Secretary of State
16 as license fees under this paragraph (6), 95% shall be
17 deposited into the General Revenue Fund and 5% into
18 the Motor Vehicle License Plate Fund.

19 (7) A statement that the applicant's officers,
20 directors, and shareholders having a 10% or greater
21 ownership interest therein, proprietor, a partner, member,
22 officer, director, trustee, manager, or other principals
23 in the business, have not committed in the past 3 years any
24 one violation, as determined in any civil, criminal, or
25 administrative hearing proceeding, of any one of the
26 following Acts:

1 (A) the Anti Theft Laws of the Illinois Vehicle
2 Code;

3 (B) the Certificate of Title Laws of the Illinois
4 Vehicle Code;

5 (C) the Offenses against Registration and
6 Certificates of Title Laws of the Illinois Vehicle
7 Code;

8 (D) the Dealers, Transporters, Wreckers, and
9 Rebuilders Laws of the Illinois Vehicle Code;

10 (E) Section 21-2 of the Criminal Code of 2012
11 (criminal trespass to vehicles);

12 (F) the Retailers Occupation Tax Act;

13 (G) the Consumer Finance Act;

14 (H) the Consumer Installment Loan Act;

15 (I) the Retail Installment Sales Act;

16 (J) the Motor Vehicle Retail Installment Sales
17 Act;

18 (K) the Interest Act;

19 (L) the Illinois Wage Assignment Act;

20 (M) Part 8 of Article XII of the Code of Civil
21 Procedure; or

22 (N) the Consumer Fraud Act.

23 (8) A bond or certificate of deposit in the amount of
24 \$20,000 for each license holder applicant intending to act
25 as a manufactured home dealer or community-based
26 manufactured home dealer under this Section. The bond

1 shall be for the term of the license, for which
2 application is made, and shall expire not sooner than
3 December 31 of the year for which the license was issued.
4 The bond shall run to the People of the State of Illinois,
5 with surety by a bonding or insurance company authorized
6 to do business in this State. It shall be conditioned upon
7 the proper transmittal of all title and registration fees
8 and taxes (excluding taxes under the Retailers' Occupation
9 Tax Act) accepted by the applicant as a manufactured home
10 dealer.

11 (9) Dealers in business for over 5 years may
12 substitute a certificate of insurance in lieu of the bond
13 or certificate of deposit upon renewing their license.

14 (10) Any other information concerning the business of
15 the applicant as the Secretary of State may by rule
16 prescribe.

17 (11) A statement that the applicant has read and
18 understands Chapters 1 through 5 of this Code.

19 (12) The full name, address, and contact information
20 of each of the dealer's agents or legal representatives
21 who is an Illinois resident and liable for the performance
22 of the dealership.

23 (d) Any change which renders no longer accurate any
24 information contained in any application for a license under
25 this Section shall be amended within 30 days after the
26 occurrence of the change on a form the Secretary of State may

1 prescribe, by rule, accompanied by an amendatory fee of \$25.

2 (e) The Secretary of State shall, within a reasonable time
3 after receipt, examine an application submitted to him or her
4 under this Section, and unless he or she makes a determination
5 that the application submitted to him or her does not conform
6 with the requirements of this Section or that grounds exist
7 for a denial of the application under Section 5-501 of this
8 Chapter, grant the applicant an initial manufactured home
9 dealer's license or a community-based manufactured home
10 dealer's license in writing for his or her established place
11 of business and a supplemental license in writing for each
12 additional place of business in a form the Secretary may
13 prescribe by rule, which shall include the following:

14 (1) the name of the person or entity licensed;

15 (2) if a corporation, the name and address of its
16 officers; if a sole proprietorship, a partnership, an
17 unincorporated association, or any similar form of
18 business organization, the name and address of the
19 proprietor, or the name and address of each partner,
20 member, officer, director, trustee or manager; or if a
21 limited liability company, the name and address of the
22 general partner or partners, or managing member or
23 members;

24 (3) in the case of an original license, the
25 established place of business of the licensee;

26 (4) in the case of a supplemental license, the

1 established place of business of the licensee and the
2 distance to each additional place of business to which the
3 supplemental license pertains; ~~and~~

4 (5) if applicable, the make or makes of new
5 manufactured homes or park models to which a manufactured
6 home dealer is licensed to sell; and

7 (6) the full name, address, and contact information of
8 each of the dealer's agents or legal representatives who
9 is an Illinois resident and liable for the performance of
10 the dealership.

11 (e-5) A manufactured home dealer may operate a
12 supplemental lot if the lot is located within 50 miles of the
13 manufactured home dealer's principal place of business.
14 Records pertaining to a supplemental lot may be maintained at
15 the principal place of business.

16 (f) The appropriate instrument evidencing the license or a
17 certified copy of the instrument, provided by the Secretary of
18 State, shall be kept posted conspicuously in the established
19 place of business of the licensee and in each additional place
20 of business, if any, maintained by the licensee, unless the
21 licensee is a community-based manufactured home dealer, then
22 the license shall be posted in the community-based
23 manufactured home dealer's central office and it shall include
24 a list of the other locations that the community-based
25 manufactured home dealer may oversee.

26 (g) Except as provided in subsection (i) of this Section,

1 all licenses granted under this Section shall expire by
2 operation of law on December 31 of the calendar year for which
3 the licenses were granted, unless sooner revoked or cancelled
4 under the provisions of Section 5-501 of this Chapter.

5 (h) All persons licensed as a manufactured home dealer or
6 a community-based manufactured home dealer are required to
7 furnish each purchaser of a manufactured home or park model:

8 (1) in the case of a new manufactured home or park
9 model, a manufacturer's statement of origin, and in the
10 case of a previously owned manufactured home or park
11 model, a certificate of title, in either case properly
12 assigned to the purchaser;

13 (2) a statement verified under oath that all
14 identifying numbers on the vehicle match the identifying
15 numbers on the certificate of title or manufacturer's
16 statement of origin;

17 (3) a bill of sale properly executed on behalf of the
18 purchaser;

19 (4) a copy of the Uniform Invoice-transaction
20 reporting return form referred to in Section 5-402; and

21 (5) for a new manufactured home or park model, a
22 warranty, and in the case of a manufactured home or park
23 model for which the warranty has been reinstated, a copy
24 of the warranty; if no warranty is provided, a disclosure
25 or statement that the manufactured home or park model is
26 being sold "AS IS".

1 (i) This Section shall not apply to a (i) seller who
2 privately owns his or her manufactured home or park model as
3 his or her main residence and is selling the manufactured home
4 or park model to another individual or to a licensee; (ii) a
5 retailer or entity licensed under either Section 5-101 or
6 5-102 of this Code; or (iii) an individual or entity licensed
7 to sell truck campers, travel trailers, motor homes, or mini
8 motor homes as defined by this Code. Any vehicle not covered by
9 this Section that requires an individual or entity to obtain a
10 license to sell 5 or more vehicles must obtain a license under
11 the relevant provisions of this Code.

12 (j) This Section shall not apply to any person licensed
13 under the Real Estate License Act of 2000.

14 (k) The Secretary of State may adopt any rules necessary
15 to implement this Section.

16 (l) Only a licensed dealer under this Section may use the
17 reassignment portion included on a certificate of title to
18 reassign a vehicle to another licensed dealer under this
19 Chapter.

20 (Source: P.A. 101-407, eff. 8-16-19.)

21 (625 ILCS 5/5-102) (from Ch. 95 1/2, par. 5-102)

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

23 (a) No person, other than a licensed new vehicle dealer,
24 shall engage in the business of selling or dealing in, on
25 consignment or otherwise, 5 or more used vehicles of any make

1 during the year (except house trailers as authorized by
2 paragraph (j) of this Section and rebuilt salvage vehicles
3 sold by their rebuilders to persons licensed under this
4 Chapter), or act as an intermediary, agent or broker for any
5 licensed dealer or vehicle purchaser (other than as a
6 salesperson) or represent or advertise that he is so engaged
7 or intends to so engage in such business unless licensed to do
8 so by the Secretary of State under the provisions of this
9 Section.

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

14 1. The name and type of business organization
15 established and additional places of business, if any, in
16 this State.

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

26 3. A statement that the applicant has been approved

1 for registration under the Retailers' Occupation Tax Act
2 by the Department of Revenue. However, this requirement
3 does not apply to a dealer who is already licensed
4 hereunder with the Secretary of State, and who is merely
5 applying for a renewal of his license. As evidence of this
6 fact, the application shall be accompanied by a
7 certification from the Department of Revenue showing that
8 the Department has approved the applicant for registration
9 under the Retailers' Occupation Tax Act.

10 4. A statement that the applicant has complied with
11 the appropriate liability insurance requirement. A
12 Certificate of Insurance in a solvent company authorized
13 to do business in the State of Illinois shall be included
14 with each application covering each location at which he
15 proposes to act as a used vehicle dealer. The policy must
16 provide liability coverage in the minimum amounts of
17 \$100,000 for bodily injury to, or death of, any person,
18 \$300,000 for bodily injury to, or death of, two or more
19 persons in any one accident, and \$50,000 for damage to
20 property. Such policy shall expire not sooner than
21 December 31 of the year for which the license was issued or
22 renewed. The expiration of the insurance policy shall not
23 terminate the liability under the policy arising during
24 the period for which the policy was filed. Trailer and
25 mobile home dealers are exempt from this requirement.

26 If the permitted user has a liability insurance policy

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

16 When a permitted user is "test driving" a used vehicle
17 dealer's automobile, the used vehicle dealer's insurance
18 shall be primary and the permitted user's insurance shall
19 be secondary.

20 As used in this paragraph 4, a "permitted user" is a
21 person who, with the permission of the used vehicle dealer
22 or an employee of the used vehicle dealer, drives a
23 vehicle owned and held for sale or lease by the used
24 vehicle dealer which the person is considering to purchase
25 or lease, in order to evaluate the performance,
26 reliability, or condition of the vehicle. The term

1 "permitted user" also includes a person who, with the
2 permission of the used vehicle dealer, drives a vehicle
3 owned or held for sale or lease by the used vehicle dealer
4 for loaner purposes while the user's vehicle is being
5 repaired or evaluated.

6 As used in this paragraph 4, "test driving" occurs
7 when a permitted user who, with the permission of the used
8 vehicle dealer or an employee of the used vehicle dealer,
9 drives a vehicle owned and held for sale or lease by a used
10 vehicle dealer that the person is considering to purchase
11 or lease, in order to evaluate the performance,
12 reliability, or condition of the vehicle.

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

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

20 (A) \$1,000 for applicant's established place of
21 business, and \$50 for each additional place of
22 business, if any, to which the application pertains;
23 however, if the application is made after June 15 of
24 any year, the license fee shall be \$500 for
25 applicant's established place of business plus \$25 for
26 each additional place of business, if any, to which

1 the application pertains. License fees shall be
2 returnable only in the event that the application is
3 denied by the Secretary of State. Of the money
4 received by the Secretary of State as license fees
5 under this subparagraph (A) for the 2004 licensing
6 year and thereafter, 95% shall be deposited into the
7 General Revenue Fund.

8 (B) Except for dealers selling 25 or fewer
9 automobiles or as provided in subsection (h) of
10 Section 5-102.7 of this Code, an Annual Dealer
11 Recovery Fund Fee in the amount of \$500 for the
12 applicant's established place of business, and \$50 for
13 each additional place of business, if any, to which
14 the application pertains; but if the application is
15 made after June 15 of any year, the fee shall be \$250
16 for the applicant's established place of business plus
17 \$25 for each additional place of business, if any, to
18 which the application pertains. For a license renewal
19 application, the fee shall be based on the amount of
20 automobiles sold in the past year according to the
21 following formula:

22 (1) \$0 for dealers selling 25 or less
23 automobiles;

24 (2) \$150 for dealers selling more than 25 but
25 less than 200 automobiles;

26 (3) \$300 for dealers selling 200 or more

1 automobiles but less than 300 automobiles; and

2 (4) \$500 for dealers selling 300 or more
3 automobiles.

4 License fees shall be returnable only in the event
5 that the application is denied by the Secretary of
6 State. Moneys received under this subparagraph (B)
7 shall be deposited into the Dealer Recovery Trust
8 Fund.

9 6. A statement that the applicant's officers,
10 directors, shareholders having a 10% or greater ownership
11 interest therein, proprietor, partner, member, officer,
12 director, trustee, manager or other principals in the
13 business have not committed in the past 3 years any one
14 violation as determined in any civil, criminal or
15 administrative proceedings of any one of the following
16 Acts:

17 (A) The Anti-Theft Laws of the Illinois Vehicle
18 Code;

19 (B) The Certificate of Title Laws of the Illinois
20 Vehicle Code;

21 (C) The Offenses against Registration and
22 Certificates of Title Laws of the Illinois Vehicle
23 Code;

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

26 (E) Section 21-2 of the Illinois Criminal Code of

1 1961 or the Criminal Code of 2012, Criminal Trespass
2 to Vehicles; or

3 (F) The Retailers' Occupation Tax Act.

4 7. A statement that the applicant's officers,
5 directors, shareholders having a 10% or greater ownership
6 interest therein, proprietor, partner, member, officer,
7 director, trustee, manager or other principals in the
8 business have not committed in any calendar year 3 or more
9 violations, as determined in any civil or criminal or
10 administrative proceedings, of any one or more of the
11 following Acts:

12 (A) The Consumer Finance Act;

13 (B) The Consumer Installment Loan Act;

14 (C) The Retail Installment Sales Act;

15 (D) The Motor Vehicle Retail Installment Sales
16 Act;

17 (E) The Interest Act;

18 (F) The Illinois Wage Assignment Act;

19 (G) Part 8 of Article XII of the Code of Civil
20 Procedure; or

21 (H) The Consumer Fraud and Deceptive Business
22 Practices Act.

23 7.5. A statement that, within 10 years of application,
24 each officer, director, shareholder having a 10% or
25 greater ownership interest therein, proprietor, partner,
26 member, officer, director, trustee, manager, or other

1 principal in the business of the applicant has not
2 committed, as determined in any civil, criminal, or
3 administrative proceeding, in any calendar year one or
4 more forcible felonies under the Criminal Code of 1961 or
5 the Criminal Code of 2012, or a violation of either or both
6 Article 16 or 17 of the Criminal Code of 1961 or a
7 violation of either or both Article 16 or 17 of the
8 Criminal Code of 2012, Article 29B of the Criminal Code of
9 1961 or the Criminal Code of 2012, or a similar
10 out-of-state offense. For the purposes of this paragraph,
11 "forcible felony" has the meaning provided in Section 2-8
12 of the Criminal Code of 2012.

13 8. A bond or Certificate of Deposit in the amount of
14 \$50,000 for each location at which the applicant intends
15 to act as a used vehicle dealer. The bond shall be for the
16 term of the license, or its renewal, for which application
17 is made, and shall expire not sooner than December 31 of
18 the year for which the license was issued or renewed. The
19 bond shall run to the People of the State of Illinois, with
20 surety by a bonding or insurance company authorized to do
21 business in this State. It shall be conditioned upon the
22 proper transmittal of all title and registration fees and
23 taxes (excluding taxes under the Retailers' Occupation Tax
24 Act) accepted by the applicant as a used vehicle dealer.

25 9. Such other information concerning the business of
26 the applicant as the Secretary of State may by rule or

1 regulation prescribe.

2 10. A statement that the applicant understands Chapter
3 1 through Chapter 5 of this Code.

4 11. A copy of the certification from the prelicensing
5 education program.

6 12. The full name, address, and contact information of
7 each of the dealer's agents or legal representatives who
8 is an Illinois resident and liable for the performance of
9 the dealership.

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

16 (d) Anything in this Chapter to the contrary
17 notwithstanding, no person shall be licensed as a used vehicle
18 dealer unless such person maintains an established place of
19 business as defined in this Chapter.

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

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

5 1. The name of the person licensed;

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

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

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

18 5. The full name, address, and contact information of
19 each of the dealer's agents or legal representatives who
20 is an Illinois resident and liable for the performance of
21 the dealership.

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

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

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

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

18 1. A certificate of title properly assigned to the
19 purchaser;

20 2. A statement verified under oath that all
21 identifying numbers on the vehicle agree with those on the
22 certificate of title;

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

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

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

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

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

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

17 The foregoing records shall be available for inspection by
18 any officer of the Secretary of State's Office at any
19 reasonable hour.

20 (k) Except at the time of sale or repossession of the
21 vehicle, no person licensed as a used vehicle dealer may issue
22 any other person a newly created key to a vehicle unless the
23 used vehicle dealer makes a color photocopy or electronic scan
24 of the driver's license or State identification card of the
25 person requesting or obtaining the newly created key. The used
26 vehicle dealer must retain the photocopy or scan for 30 days.

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

5 (1) Used vehicle dealers licensed under this Section shall
6 provide the Secretary of State a register for the sale at
7 auction of each salvage or junk certificate vehicle. Each
8 register shall include the following information:

9 1. The year, make, model, style and color of the
10 vehicle;

11 2. The vehicle's manufacturer's identification number
12 or, if applicable, the Secretary of State or Illinois
13 Department of State Police identification number;

14 3. The date of acquisition of the vehicle;

15 4. The name and address of the person from whom the
16 vehicle was acquired;

17 5. The name and address of the person to whom any
18 vehicle was disposed, the person's Illinois license number
19 or if the person is an out-of-state salvage vehicle buyer,
20 the license number from the state or jurisdiction where
21 the buyer is licensed; and

22 6. The purchase price of the vehicle.

23 (m) Only a licensed dealer under this Section may use the
24 reassignment portion included on a certificate of title to
25 reassign a vehicle to another licensed dealer under this
26 Chapter.

1 (n) If a licensee under this Section voluntarily
2 surrenders a license to the Illinois Secretary of State Police
3 or a representative of the Secretary of State Vehicle Services
4 Department due to the licensee's inability to adhere to
5 recordkeeping provisions, or the inability to properly issue
6 certificates of title or registrations under this Code, or the
7 Secretary revokes a license under this Section, then the
8 licensee and the licensee's agent, designee, or legal
9 representative, if applicable, may not be named on a new
10 application for a licensee under this Section or under this
11 Chapter, nor is the licensee or the licensee's agent,
12 designee, or legal representative permitted to work for
13 another licensee under this Chapter in a recordkeeping,
14 management, or financial position or as an employee who
15 handles certificate of title and registration documents and
16 applications.

17 The register shall be submitted to the Secretary of State
18 via written or electronic means within 10 calendar days from
19 the date of the auction.

20 (Source: P.A. 100-450, eff. 1-1-18; 100-956, eff. 1-1-19;
21 101-505, eff. 1-1-20.)

22 (625 ILCS 5/5-102.8)

23 Sec. 5-102.8. Licensure of Buy Here, Pay Here used vehicle
24 dealers.

25 (a) As used in this Section, "Buy Here, Pay Here used

1 vehicle dealer" means any entity that engages in the business
2 of selling or leasing of vehicles and finances the sale or
3 purchase price of the vehicle to a customer without the
4 customer using a third-party lender.

5 (b) No person shall engage in the business of selling or
6 dealing in, on consignment or otherwise, 5 or more used
7 vehicles of any make during the year (except rebuilt salvage
8 vehicles sold by their rebuilders to persons licensed under
9 this Chapter), or act as an intermediary, agent, or broker for
10 any licensed dealer or vehicle purchaser (other than as a
11 salesperson) or represent or advertise that he or she is so
12 engaged or intends to so engage in such business of a Buy Here,
13 Pay Here used vehicle dealer unless licensed to do so by the
14 Secretary of State under the provisions of this Section.

15 (c) An application for a Buy Here, Pay Here used vehicle
16 dealer's license shall be filed with the Secretary of State,
17 duly verified by oath, in such form as the Secretary of State
18 may by rule or regulation prescribe and shall contain:

19 (1) The name and type of business organization
20 established and additional places of business, if any, in
21 this State.

22 (2) If the applicant is a corporation, a list of its
23 officers, directors, and shareholders having a 10% or
24 greater ownership interest in the corporation, setting
25 forth the residence address of each; if the applicant is a
26 sole proprietorship, a partnership, an unincorporated

1 association, a trust, or any similar form of business
2 organization, the names and residence address of the
3 proprietor or of each partner, member, officer, director,
4 trustee, or manager.

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

15 (4) A statement that the applicant has complied with
16 the appropriate liability insurance requirement. A
17 Certificate of Insurance in a solvent company authorized
18 to do business in the State of Illinois shall be included
19 with each application covering each location at which he
20 or she proposes to act as a Buy Here, Pay Here used vehicle
21 dealer. The policy must provide liability coverage in the
22 minimum amounts of \$100,000 for bodily injury to, or death
23 of, any person, \$300,000 for bodily injury to, or death
24 of, 2 or more persons in any one accident, and \$50,000 for
25 damage to property. Such policy shall expire not sooner
26 than December 31 of the year for which the license was

1 issued or renewed. The expiration of the insurance policy
2 shall not terminate the liability under the policy arising
3 during the period for which the policy was filed.

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

20 When a permitted user is "test driving" a Buy Here,
21 Pay Here used vehicle dealer's automobile, the Buy Here,
22 Pay Here used vehicle dealer's insurance shall be primary
23 and the permitted user's insurance shall be secondary.

24 As used in this paragraph, "permitted user" means a
25 person who, with the permission of the Buy Here, Pay Here
26 used vehicle dealer or an employee of the Buy Here, Pay

1 Here used vehicle dealer, drives a vehicle owned and held
2 for sale or lease by the Buy Here, Pay Here used vehicle
3 dealer that the person is considering to purchase or
4 lease, in order to evaluate the performance, reliability,
5 or condition of the vehicle. "Permitted user" includes a
6 person who, with the permission of the Buy Here, Pay Here
7 used vehicle dealer, drives a vehicle owned or held for
8 sale or lease by the Buy Here, Pay Here used vehicle dealer
9 for loaner purposes while the user's vehicle is being
10 repaired or evaluated.

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

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

24 (5) An application for a Buy Here, Pay Here used
25 vehicle dealer's license shall be accompanied by the
26 following license fees:

1 (A) \$1,000 for the applicant's established place
2 of business, and \$50 for each additional place of
3 business, if any, to which the application pertains;
4 however, if the application is made after June 15 of
5 any year, the license fee shall be \$500 for the
6 applicant's established place of business plus \$25 for
7 each additional place of business, if any, to which
8 the application pertains. License fees shall be
9 returnable only if the application is denied by the
10 Secretary of State. Of the money received by the
11 Secretary of State as license fees under this
12 subparagraph, 95% shall be deposited into the General
13 Revenue Fund.

14 (B) Except for dealers selling 25 or fewer
15 automobiles or as provided in subsection (h) of
16 Section 5-102.7 of this Code, an Annual Dealer
17 Recovery Fund Fee in the amount of \$500 for the
18 applicant's established place of business, and \$50 for
19 each additional place of business, if any, to which
20 the application pertains; but if the application is
21 made after June 15 of any year, the fee shall be \$250
22 for the applicant's established place of business plus
23 \$25 for each additional place of business, if any, to
24 which the application pertains. For a license renewal
25 application, the fee shall be based on the amount of
26 automobiles sold in the past year according to the

1 following formula:

2 (1) \$0 for dealers selling 25 or less
3 automobiles;

4 (2) \$150 for dealers selling more than 25 but
5 less than 200 automobiles;

6 (3) \$300 for dealers selling 200 or more
7 automobiles but less than 300 automobiles; and

8 (4) \$500 for dealers selling 300 or more
9 automobiles.

10 Fees shall be returnable only if the application
11 is denied by the Secretary of State. Money received
12 under this subparagraph shall be deposited into the
13 Dealer Recovery Trust Fund. A Buy Here, Pay Here used
14 vehicle dealer shall pay into the Dealer Recovery
15 Trust Fund for every vehicle that is financed, sold,
16 or otherwise transferred to an individual or entity
17 other than the Buy Here, Pay Here used vehicle dealer
18 even if the individual or entity to which the Buy Here,
19 Pay Here used vehicle dealer transfers the vehicle is
20 unable to continue to adhere to the terms of the
21 transaction by the Buy Here, Pay Here used vehicle
22 dealer.

23 (6) A statement that each officer, director,
24 shareholder having a 10% or greater ownership interest
25 therein, proprietor, partner, member, officer, director,
26 trustee, manager, or other principal in the business of

1 the applicant has not committed in the past 3 years any one
2 violation as determined in any civil, criminal, or
3 administrative proceedings of any one of the following:

4 (A) the Anti-Theft Laws of this Code;

5 (B) the Certificate of Title Laws of this Code;

6 (C) the Offenses against Registration and
7 Certificates of Title Laws of this Code;

8 (D) the Dealers, Transporters, Wreckers and
9 Rebuilders Laws of this Code;

10 (E) Section 21-2 of the Illinois Criminal Code of
11 1961 or the Criminal Code of 2012, Criminal Trespass
12 to Vehicles; or

13 (F) the Retailers' Occupation Tax Act.

14 (7) A statement that each officer, director,
15 shareholder having a 10% or greater ownership interest
16 therein, proprietor, partner, member, officer, director,
17 trustee, manager, or other principal in the business of
18 the applicant has not committed in any calendar year 3 or
19 more violations, as determined in any civil, criminal, or
20 administrative proceedings, of any one or more of the
21 following:

22 (A) the Consumer Finance Act;

23 (B) the Consumer Installment Loan Act;

24 (C) the Retail Installment Sales Act;

25 (D) the Motor Vehicle Retail Installment Sales
26 Act;

1 (E) the Interest Act;

2 (F) the Illinois Wage Assignment Act;

3 (G) Part 8 of Article XII of the Code of Civil
4 Procedure; or

5 (H) the Consumer Fraud and Deceptive Business
6 Practices Act.

7 (8) A statement that, within 10 years of application,
8 each officer, director, shareholder having a 10% or
9 greater ownership interest therein, proprietor, partner,
10 member, officer, director, trustee, manager, or other
11 principal in the business of the applicant has not
12 committed, as determined in any civil, criminal, or
13 administrative proceeding, in any calendar year one or
14 more forcible felonies under the Criminal Code of 1961 or
15 the Criminal Code of 2012, or a violation of either or both
16 Article 16 or 17 of the Criminal Code of 1961, or a
17 violation of either or both Article 16 or 17 of the
18 Criminal Code of 2012, Article 29B of the Criminal Code of
19 1961 or the Criminal Code of 2012, or a similar
20 out-of-state offense. For the purposes of this paragraph,
21 "forcible felony" has the meaning provided in Section 2-8
22 of the Criminal Code of 2012.

23 (9) A bond or Certificate of Deposit in the amount of
24 \$50,000 for each location at which the applicant intends
25 to act as a Buy Here, Pay Here used vehicle dealer. The
26 bond shall be for the term of the license. The bond shall

1 run to the People of the State of Illinois, with surety by
2 a bonding or insurance company authorized to do business
3 in this State. It shall be conditioned upon the proper
4 transmittal of all title and registration fees and taxes
5 (excluding taxes under the Retailers' Occupation Tax Act)
6 accepted by the applicant as a Buy Here, Pay Here used
7 vehicle dealer.

8 (10) Such other information concerning the business of
9 the applicant as the Secretary of State may by rule
10 prescribe.

11 (11) A statement that the applicant understands
12 Chapter 1 through Chapter 5 of this Code.

13 (12) A copy of the certification from the prelicensing
14 education program.

15 (13) The full name, address, and contact information
16 of each of the dealer's agents or legal representatives
17 who is an Illinois resident and liable for the performance
18 of the dealership.

19 (d) Any change that renders no longer accurate any
20 information contained in any application for a Buy Here, Pay
21 Here used vehicle dealer's license shall be amended within 30
22 days after the occurrence of each change on such form as the
23 Secretary of State may prescribe by rule, accompanied by an
24 amendatory fee of \$2.

25 (e) Anything in this Chapter to the contrary
26 notwithstanding, no person shall be licensed as a Buy Here,

1 Pay Here used vehicle dealer unless the person maintains an
2 established place of business as defined in this Chapter.

3 (f) The Secretary of State shall, within a reasonable time
4 after receipt, examine an application submitted under this
5 Section. Unless the Secretary makes a determination that the
6 application does not conform to this Section or that grounds
7 exist for a denial of the application under Section 5-501 of
8 this Chapter, the Secretary must grant the applicant an
9 original Buy Here, Pay Here used vehicle dealer's license in
10 writing for his or her established place of business and a
11 supplemental license in writing for each additional place of
12 business in such form as the Secretary may prescribe by rule
13 that shall include the following:

14 (1) The name of the person licensed.

15 (2) If a corporation, the name and address of its
16 officers or if a sole proprietorship, a partnership, an
17 unincorporated association, or any similar form of
18 business organization, the name and address of the
19 proprietor or of each partner, member, officer, director,
20 trustee, or manager.

21 (3) In the case of an original license, the
22 established place of business of the licensee.

23 (4) In the case of a supplemental license, the
24 established place of business of the licensee and the
25 additional place of business to which the supplemental
26 license pertains.

1 (5) The full name, address, and contact information of
2 each of the dealer's agents or legal representatives who
3 is an Illinois resident and liable for the performance of
4 the dealership.

5 (g) The appropriate instrument evidencing the license or a
6 certified copy thereof, provided by the Secretary of State
7 shall be kept posted, conspicuously, in the established place
8 of business of the licensee and in each additional place of
9 business, if any, maintained by the licensee.

10 (h) Except as provided in subsection (i), all Buy Here,
11 Pay Here used vehicle dealer's licenses granted under this
12 Section expire by operation of law on December 31 of the
13 calendar year for which they are granted unless sooner revoked
14 or cancelled under Section 5-501 of this Chapter.

15 (i) A Buy Here, Pay Here used vehicle dealer's license may
16 be renewed upon application and payment of the fee required
17 herein, and submission of proof of coverage by an approved
18 bond under the Retailers' Occupation Tax Act or proof that the
19 applicant is not subject to such bonding requirements, as in
20 the case of an original license, but in the case of an
21 application for the renewal of an effective license made
22 during the month of December, the effective license shall
23 remain in force until the application for renewal is granted
24 or denied by the Secretary of State.

25 (j) Each person licensed as a Buy Here, Pay Here used
26 vehicle dealer is required to furnish each purchaser of a

1 motor vehicle:

2 (1) a certificate of title properly assigned to the
3 purchaser;

4 (2) a statement verified under oath that all
5 identifying numbers on the vehicle agree with those on the
6 certificate of title;

7 (3) a bill of sale properly executed on behalf of the
8 person;

9 (4) a copy of the Uniform Invoice-transaction
10 reporting return referred to in Section 5-402;

11 (5) in the case of a rebuilt vehicle, a copy of the
12 Disclosure of Rebuilt Vehicle Status; and

13 (6) in the case of a vehicle for which the warranty has
14 been reinstated, a copy of the warranty.

15 (k) Except at the time of sale or repossession of the
16 vehicle, no person licensed as a Buy Here, Pay Here used
17 vehicle dealer may issue any other person a newly created key
18 to a vehicle unless the Buy Here, Pay Here used vehicle dealer
19 makes a color photocopy or electronic scan of the driver's
20 license or State identification card of the person requesting
21 or obtaining the newly created key. The Buy Here, Pay Here used
22 vehicle dealer must retain the photocopy or scan for 30 days.

23 A Buy Here, Pay Here used vehicle dealer who violates this
24 subsection (k) is guilty of a petty offense. Violation of this
25 subsection (k) is not cause to suspend, revoke, cancel, or
26 deny renewal of the used vehicle dealer's license.

1 (1) A Buy Here, Pay Here used vehicle dealer licensed
2 under this Section shall provide the Secretary of State a
3 register for the sale at auction of each salvage or junk
4 certificate vehicle. Each register shall include the following
5 information:

6 (1) the year, make, model, style, and color of the
7 vehicle;

8 (2) the vehicle's manufacturer's identification number
9 or, if applicable, the Secretary of State or Illinois
10 Department of State Police identification number;

11 (3) the date of acquisition of the vehicle;

12 (4) the name and address of the person from whom the
13 vehicle was acquired;

14 (5) the name and address of the person to whom any
15 vehicle was disposed, the person's Illinois license number
16 or, if the person is an out-of-state salvage vehicle
17 buyer, the license number from the state or jurisdiction
18 where the buyer is licensed; and

19 (6) the purchase price of the vehicle.

20 (m) Only a licensed dealer under this Section may use the
21 reassignment portion included on a certificate of title to
22 reassign a vehicle to another licensed dealer under this
23 Chapter.

24 (n) If a licensee under this Section voluntarily
25 surrenders a license to the Illinois Secretary of State Police
26 or a representative of the Secretary of State Vehicle Services

1 Department due to the licensee's inability to adhere to
2 recordkeeping provisions, or the inability to properly issue
3 certificates of title or registrations under this Code, or the
4 Secretary revokes a license under this Section, then the
5 licensee and the licensee's agent, designee, or legal
6 representative, if applicable, may not be named on a new
7 application for a license under this Section or under this
8 Chapter, nor is the licensee or the licensee's agent,
9 designee, or legal representative permitted to work for
10 another licensee under this Chapter in a recordkeeping,
11 management, or financial position or as an employee who
12 handles certificate of title and registration documents and
13 applications.

14 The register shall be submitted to the Secretary of State
15 via written or electronic means within 10 calendar days from
16 the date of the auction.

17 (Source: P.A. 101-505, eff. 1-1-20.)

18 (625 ILCS 5/5-301) (from Ch. 95 1/2, par. 5-301)

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

21 (a) No person in this State shall, except as an incident to
22 the servicing of vehicles, carry on or conduct the business of
23 an automotive parts recycler, a scrap processor, a repairer,
24 or a rebuilder, unless licensed to do so in writing by the
25 Secretary of State under this Section. No person shall rebuild

1 a salvage vehicle unless such person is licensed as a
2 rebuilder by the Secretary of State under this Section. No
3 person shall engage in the business of acquiring 5 or more
4 previously owned vehicles in one calendar year for the primary
5 purpose of disposing of those vehicles in the manner described
6 in the definition of a "scrap processor" in this Code unless
7 the person is licensed as an automotive parts recycler by the
8 Secretary of State under this Section. No person shall engage
9 in the act of dismantling, crushing, or altering a vehicle
10 into another form using machinery or equipment unless licensed
11 to do so and only from the fixed location identified on the
12 license issued by the Secretary. Each license shall be applied
13 for and issued separately, except that a license issued to a
14 new vehicle dealer under Section 5-101 of this Code shall also
15 be deemed to be a repairer license.

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

20 1. The name and type of business organization of the
21 applicant and his principal or additional places of
22 business, if any, in this State.

23 2. The kind or kinds of business enumerated in
24 subsection (a) of this Section to be conducted at each
25 location.

26 3. If the applicant is a corporation, a list of its

1 officers, directors, and shareholders having a ten percent
2 or greater ownership interest in the corporation, setting
3 forth the residence address of each; if the applicant is a
4 sole proprietorship, a partnership, an unincorporated
5 association, a trust, or any similar form of business
6 organization, the names and residence address of the
7 proprietor or of each partner, member, officer, director,
8 trustee or manager.

9 4. A statement that the applicant's officers,
10 directors, shareholders having a ten percent or greater
11 ownership interest therein, proprietor, partner, member,
12 officer, director, trustee, manager, or other principals
13 in the business have not committed in the past three years
14 any one violation as determined in any civil or criminal
15 or administrative proceedings of any one of the following
16 Acts:

17 (a) the Anti-Theft Laws of the Illinois Vehicle
18 Code;

19 (b) the "Certificate of Title Laws" of the
20 Illinois Vehicle Code;

21 (c) the "Offenses against Registration and
22 Certificates of Title Laws" of the Illinois Vehicle
23 Code;

24 (d) the "Dealers, Transporters, Wreckers and
25 Rebuilders Laws" of the Illinois Vehicle Code;

26 (e) Section 21-2 of the Criminal Code of 1961 or

1 the Criminal Code of 2012, Criminal Trespass to
2 Vehicles; or

3 (f) the Retailers Occupation Tax Act.

4 5. A statement that the applicant's officers,
5 directors, shareholders having a ten percent or greater
6 ownership interest therein, proprietor, partner, member,
7 officer, director, trustee, manager or other principals in
8 the business have not committed in any calendar year 3 or
9 more violations, as determined in any civil or criminal or
10 administrative proceedings, of any one or more of the
11 following Acts:

12 (a) the Consumer Finance Act;

13 (b) the Consumer Installment Loan Act;

14 (c) the Retail Installment Sales Act;

15 (d) the Motor Vehicle Retail Installment Sales
16 Act;

17 (e) the Interest Act;

18 (f) the Illinois Wage Assignment Act;

19 (g) Part 8 of Article XII of the Code of Civil
20 Procedure; or

21 (h) the Consumer Fraud Act.

22 6. An application for a license shall be accompanied
23 by the following fees: \$50 for applicant's established
24 place of business; \$25 for each additional place of
25 business, if any, to which the application pertains;
26 provided, however, that if such an application is made

1 after June 15 of any year, the license fee shall be \$25 for
2 applicant's established place of business plus \$12.50 for
3 each additional place of business, if any, to which the
4 application pertains. License fees shall be returnable
5 only in the event that such application shall be denied by
6 the Secretary of State.

7 7. A statement that the applicant understands Chapter
8 1 through Chapter 5 of this Code.

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

11 9. A statement indicating if the applicant, including
12 any of the applicant's affiliates or predecessor
13 corporations, has been subject to the revocation or
14 nonrenewal of a business license by a municipality under
15 Section 5-501.5 of this Code.

16 10. The applicant's National Motor Vehicle Title
17 Information System number and a statement of compliance if
18 applicable.

19 11. The full name, address, and contact information of
20 each of the dealer's agents or legal representatives who
21 is an Illinois resident and liable for the performance of
22 the dealership.

23 (c) Any change which renders no longer accurate any
24 information contained in any application for a license filed
25 with the Secretary of State shall be amended within 30 days
26 after the occurrence of such change on such form as the

1 Secretary of State may prescribe by rule or regulation,
2 accompanied by an amendatory fee of \$2.

3 (d) Anything in this Chapter to the contrary,
4 notwithstanding, no person shall be licensed under this
5 Section unless such person shall maintain an established place
6 of business as defined in this Chapter.

7 (e) The Secretary of State shall within a reasonable time
8 after receipt thereof, examine an application submitted to him
9 under this Section and unless he makes a determination that
10 the application submitted to him does not conform with the
11 requirements of this Section or that grounds exist for a
12 denial of the application, as prescribed in Section 5-501 of
13 this Chapter, grant the applicant an original license as
14 applied for in writing for his established place of business
15 and a supplemental license in writing for each additional
16 place of business in such form as he may prescribe by rule or
17 regulation which shall include the following:

- 18 1. the name of the person licensed;
- 19 2. if a corporation, the name and address of its
20 officers or if a sole proprietorship, a partnership, an
21 unincorporated association or any similar form of business
22 organization, the name and address of the proprietor or of
23 each partner, member, officer, director, trustee or
24 manager;
- 25 3. a designation of the kind or kinds of business
26 enumerated in subsection (a) of this Section to be

1 conducted at each location;

2 4. in the case of an original license, the established
3 place of business of the licensee;

4 5. in the case of a supplemental license, the
5 established place of business of the licensee and the
6 additional place of business to which such supplemental
7 license pertains;

8 6. the full name, address, and contact information of
9 each of the dealer's agents or legal representatives who
10 is an Illinois resident and liable for the performance of
11 the dealership.

12 (f) The appropriate instrument evidencing the license or a
13 certified copy thereof, provided by the Secretary of State
14 shall be kept, posted, conspicuously in the established place
15 of business of the licensee and in each additional place of
16 business, if any, maintained by such licensee. The licensee
17 also shall post conspicuously in the established place of
18 business and in each additional place of business a notice
19 which states that such business is required to be licensed by
20 the Secretary of State under Section 5-301, and which provides
21 the license number of the business and the license expiration
22 date. This notice also shall advise the consumer that any
23 complaints as to the quality of service may be brought to the
24 attention of the Attorney General. The information required on
25 this notice also shall be printed conspicuously on all
26 estimates and receipts for work by the licensee subject to

1 this Section. The Secretary of State shall prescribe the
2 specific format of this notice.

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

8 (h) Any license granted under this Section may be renewed
9 upon application and payment of the fee required herein as in
10 the case of an original license, provided, however, that in
11 case an application for the renewal of an effective license is
12 made during the month of December, such effective license
13 shall remain in force until such application is granted or
14 denied by the Secretary of State.

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

18 1. provide proof that the property on which first time
19 applicants plan to do business is in compliance with local
20 zoning laws and regulations, and a listing of zoning
21 classification;

22 2. provide proof that the applicant for a repairer's
23 license complies with the proper workers' compensation
24 rate code or classification, and listing the code of
25 classification for that industry;

26 3. provide proof that the applicant for a rebuilder's

1 license complies with the proper workers' compensation
2 rate code or classification for the repair industry or the
3 auto parts recycling industry and listing the code of
4 classification;

5 4. provide proof that the applicant has obtained or
6 applied for a hazardous waste generator number, and
7 listing the actual number if available or certificate of
8 exemption;

9 5. provide proof that applicant has proper liability
10 insurance, and listing the name of the insurer and the
11 policy number; and

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

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

19 (j) All automotive parts recyclers shall, in addition to
20 the requirements of subsections (a) through (h) of this
21 Section, meet the following licensing requirements:

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

24 2. provide proof that the property on which all first
25 time applicants will do business does comply to the proper
26 local zoning laws in existence, and a listing of zoning

1 classifications;

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

5 4. provide proof that applicant has obtained or
6 applied for the proper State sales tax classification and
7 federal identification tax number, and listing the actual
8 numbers if available.

9 (Source: P.A. 100-409, eff. 8-25-17; 101-572, eff. 8-23-19.)

10 (625 ILCS 5/5-505 new)

11 Sec. 5-505. License suspension or revocation; penalty. The
12 Secretary shall suspend the license of any licensee under this
13 Chapter who permits an individual who is not an authorized
14 agent or employee of the licensee to use the license of the
15 licensee to purchase a vehicle from an auction. The suspension
16 shall be for a period of no less than 30 days for the first
17 violation. Upon a second or subsequent violation, the
18 Secretary shall revoke the license of the licensee."