



## 94TH GENERAL ASSEMBLY

### State of Illinois

2005 and 2006

**HB4898**

Introduced 1/19/2006, by Rep. Jim Sacia

#### SYNOPSIS AS INTRODUCED:

625 ILCS 5/5-101  
625 ILCS 5/5-102

from Ch. 95 1/2, par. 5-101  
from Ch. 95 1/2, par. 5-102

Amends the Illinois Vehicle Code with regard to new and used vehicle dealer license fees. Provides that the fee varies according to the number of vehicles sold by the dealer during the previous year. Provides that a dealer's license application shall indicate the number of vehicles sold by the dealer the previous year, supported by documentation prescribed by the Secretary of State. Sets a new schedule of license fees for new and used vehicle dealers, including one fee for the applicant's established place of business and a lower fee for each additional place of business, if any, to which the application pertains. Effective immediately.

LRB094 17032 DRH 52314 b

FISCAL NOTE ACT  
MAY APPLY

1 AN ACT concerning transportation.

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

4 Section 5. The Illinois Vehicle Code is amended by changing  
5 Sections 5-101 and 5-102 as follows:

6 (625 ILCS 5/5-101) (from Ch. 95 1/2, par. 5-101)

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

8 (a) No person shall engage in this State in the business of  
9 selling or dealing in, on consignment or otherwise, new  
10 vehicles of any make, or act as an intermediary or agent or  
11 broker for any licensed dealer or vehicle purchaser other than  
12 as a salesperson, or represent or advertise that he is so  
13 engaged or intends to so engage in such business unless  
14 licensed to do so in writing by the Secretary of State under  
15 the provisions of this Section.

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

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

23 2. If the applicant is a corporation, a list of its  
24 officers, directors, and shareholders having a ten percent  
25 or greater ownership interest in the corporation, setting  
26 forth the residence address of each; if the applicant is a  
27 sole proprietorship, a partnership, an unincorporated  
28 association, a trust, or any similar form of business  
29 organization, the name and residence address of the  
30 proprietor or of each partner, member, officer, director,  
31 trustee, or manager.

32 3. The make or makes of new vehicles which the

1 applicant will offer for sale at retail in this State.

2 4. The name of each manufacturer or franchised  
3 distributor, if any, of new vehicles with whom the  
4 applicant has contracted for the sale of such new vehicles.  
5 As evidence of this fact, the application shall be  
6 accompanied by a signed statement from each such  
7 manufacturer or franchised distributor. If the applicant  
8 is in the business of offering for sale new conversion  
9 vehicles, trucks or vans, except for trucks modified to  
10 serve a special purpose which includes but is not limited  
11 to the following vehicles: street sweepers, fertilizer  
12 spreaders, emergency vehicles, implements of husbandry or  
13 maintenance type vehicles, he must furnish evidence of a  
14 sales and service agreement from both the chassis  
15 manufacturer and second stage manufacturer.

16 5. A statement that the applicant has been approved for  
17 registration under the Retailers' Occupation Tax Act by the  
18 Department of Revenue: Provided that this requirement does  
19 not apply to a dealer who is already licensed hereunder  
20 with the Secretary of State, and who is merely applying for  
21 a renewal of his license. As evidence of this fact, the  
22 application shall be accompanied by a certification from  
23 the Department of Revenue showing that that Department has  
24 approved the applicant for registration under the  
25 Retailers' Occupation Tax Act.

26 6. A statement that the applicant has complied with the  
27 appropriate liability insurance requirement. A Certificate  
28 of Insurance in a solvent company authorized to do business  
29 in the State of Illinois shall be included with each  
30 application covering each location at which he proposes to  
31 act as a new vehicle dealer. The policy must provide  
32 liability coverage in the minimum amounts of \$100,000 for  
33 bodily injury to, or death of, any person, \$300,000 for  
34 bodily injury to, or death of, two or more persons in any  
35 one accident, and \$50,000 for damage to property. Such  
36 policy shall expire not sooner than December 31 of the year

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

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

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

26 As used in this paragraph 6, a "permitted user" is a  
27 person who, with the permission of the new vehicle dealer  
28 or an employee of the new vehicle dealer, drives a vehicle  
29 owned and held for sale or lease by the new vehicle dealer  
30 which the person is considering to purchase or lease, in  
31 order to evaluate the performance, reliability, or  
32 condition of the vehicle. The term "permitted user" also  
33 includes a person who, with the permission of the new  
34 vehicle dealer, drives a vehicle owned or held for sale or  
35 lease by the new vehicle dealer for loaner purposes while  
36 the user's vehicle is being repaired or evaluated.

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

8           As used in this paragraph 6, "loaner purposes" means  
9           when a person who, with the permission of the new vehicle  
10          dealer, drives a vehicle owned or held for sale or lease by  
11          the new vehicle dealer while the user's vehicle is being  
12          repaired or evaluated.

13          7. (A) An application for a new motor vehicle dealer's  
14          license shall indicate the number of vehicles sold by the  
15          dealer during the previous year, supported by  
16          documentation prescribed by the Secretary, and shall be  
17          accompanied by the following license fees:

18                 (i) for dealers that sold 3,000 or more vehicles  
19                 the previous year: \$1,500 for the applicant's  
20                 established place of business; \$750 for each  
21                 additional place of business, if any, to which the  
22                 application pertains;

23                 (ii) for dealers that sold 2,000 to 2,999 vehicles  
24                 the previous year: \$1,250 for the applicant's  
25                 established place of business; \$625 for each  
26                 additional place of business, if any, to which the  
27                 application pertains;

28                 (iii) for dealers that sold 1,500 to 1,999 vehicles  
29                 the previous year: \$1,000 for the applicant's  
30                 established place of business; \$500 for each  
31                 additional place of business, if any, to which the  
32                 application pertains;

33                 (iv) for dealers that sold 1,000 to 1,499 vehicles  
34                 the previous year: \$750 for the applicant's  
35                 established place of business; \$375 for each  
36                 additional place of business, if any, to which the

1 application pertains;

2 (v) for dealers that sold 500 to 999 vehicles the  
3 previous year: \$500 for the applicant's established  
4 place of business; \$250 for each additional place of  
5 business, if any, to which the application pertains.

6 (vi) for dealers that sold 0 to 499 vehicles the  
7 previous year: \$250 for the applicant's established  
8 place of business; \$125 for each additional place of  
9 business to which the application pertains; but if the  
10 application is made after June 15 of any year, the  
11 license fee shall be \$125 for the applicant's  
12 established place of business and \$62.50 for each  
13 additional place of business, if any, to which the  
14 application pertains. ~~\$1,000 for applicant's~~  
15 ~~established place of business, and \$100 for each~~  
16 ~~additional place of business, if any, to which the~~  
17 ~~application pertains; but if the application is made~~  
18 ~~after June 15 of any year, the license fee shall be~~  
19 ~~\$500 for applicant's established place of business~~  
20 ~~plus \$50 for each additional place of business, if any,~~  
21 ~~to which the application pertains.~~

22 License fees shall be returnable only in the event  
23 that the application is denied by the Secretary of  
24 State. All moneys received by the Secretary of State as  
25 license fees under paragraph (7) (A) of subsection (b)  
26 of this Section prior to applications for the 2004  
27 licensing year shall be deposited into the Motor  
28 Vehicle Review Board Fund and shall be used to  
29 administer the Motor Vehicle Review Board under the  
30 Motor Vehicle Franchise Act. Of the money received by  
31 the Secretary of State as license fees under paragraph  
32 (7) (A) of subsection (b) of this Section for the 2004  
33 licensing year and thereafter, 10% shall be deposited  
34 into the Motor Vehicle Review Board Fund and shall be  
35 used to administer the Motor Vehicle Review Board under  
36 the Motor Vehicle Franchise Act and 90% shall be

1 deposited into the General Revenue Fund.

2 (B) An application for a new vehicle dealer's  
3 license, other than for a new motor vehicle dealer's  
4 license, shall be accompanied by the following license  
5 fees:

6 \$1,000 for applicant's established place of  
7 business, and \$50 for each additional place of  
8 business, if any, to which the application pertains;  
9 but if the application is made after June 15 of any  
10 year, the license fee shall be \$500 for applicant's  
11 established place of business plus \$25 for each  
12 additional place of business, if any, to which the  
13 application pertains. License fees shall be returnable  
14 only in the event that the application is denied by the  
15 Secretary of State. Of the money received by the  
16 Secretary of State as license fees under this  
17 subsection for the 2004 licensing year and thereafter,  
18 95% shall be deposited into the General Revenue Fund.

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

27 (A) The Anti Theft Laws of the Illinois Vehicle  
28 Code;

29 (B) The Certificate of Title Laws of the Illinois  
30 Vehicle Code;

31 (C) The Offenses against Registration and  
32 Certificates of Title Laws of the Illinois Vehicle  
33 Code;

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

36 (E) Section 21-2 of the Criminal Code of 1961,

1 Criminal Trespass to Vehicles; or

2 (F) The Retailers' Occupation Tax Act.

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

11 (A) The Consumer Finance Act;

12 (B) The Consumer Installment Loan Act;

13 (C) The Retail Installment Sales Act;

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

16 (E) The Interest Act;

17 (F) The Illinois Wage Assignment Act;

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

20 (H) The Consumer Fraud Act.

21 10. A bond or certificate of deposit in the amount of  
22 \$20,000 for each location at which the applicant intends to  
23 act as a new vehicle dealer. The bond shall be for the term  
24 of the license, or its renewal, for which application is  
25 made, and shall expire not sooner than December 31 of the  
26 year for which the license was issued or renewed. The bond  
27 shall run to the People of the State of Illinois, with  
28 surety by a bonding or insurance company authorized to do  
29 business in this State. It shall be conditioned upon the  
30 proper transmittal of all title and registration fees and  
31 taxes (excluding taxes under the Retailers' Occupation Tax  
32 Act) accepted by the applicant as a new vehicle dealer.

33 11. Such other information concerning the business of  
34 the applicant as the Secretary of State may by rule or  
35 regulation prescribe.

36 12. A statement that the applicant understands Chapter



1 One through Chapter Five of this Code.

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 denial  
21 of the application, under Section 5-501 of this Chapter, grant  
22 the applicant an original new vehicle dealer's license in  
23 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:

27 1. The name of the person licensed;

28 2. If a corporation, the name and address of its  
29 officers or if a sole proprietorship, a partnership, an  
30 unincorporated association or any similar form of business  
31 organization, the name and address of the proprietor or of  
32 each partner, member, officer, director, trustee or  
33 manager;

34 3. In the case of an original license, the established  
35 place of business of the licensee;

36 4. In the case of a supplemental license, the

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

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

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

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

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

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

27 1. In the case of a new vehicle a manufacturer's  
28 statement of origin and in the case of a used motor vehicle  
29 a certificate of title, in either case properly assigned to  
30 the purchaser;

31 2. A statement verified under oath that all identifying  
32 numbers on the vehicle agree with those on the certificate  
33 of title or manufacturer's statement of origin;

34 3. A bill of sale properly executed on behalf of such  
35 person;

36 4. A copy of the Uniform Invoice-transaction reporting

1 return referred to in Section 5-402 hereof;

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

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

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

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

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

19 (Source: P.A. 92-391, eff. 8-16-01; 92-835, eff. 6-1-03; 93-32,  
20 eff. 7-1-03.)

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  
26 during the year (except house trailers as authorized by  
27 paragraph (j) of this Section and rebuilt salvage vehicles sold  
28 by their rebuilders to persons licensed under this Chapter), or  
29 act as an intermediary, agent or broker for any licensed dealer  
30 or vehicle purchaser (other than as a salesperson) or represent  
31 or advertise that he is so engaged or intends to so engage in  
32 such business unless licensed to do so by the Secretary of  
33 State under the provisions of this Section.

34 (b) An application for a used vehicle dealer's license  
35 shall be filed with the Secretary of State, duly verified by

1 oath, in such form as the Secretary of State may by rule or  
2 regulation prescribe and shall contain:

3 1. The name and type of business organization  
4 established and additional places of business, if any, in  
5 this State.

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

15 3. A statement that the applicant has been approved for  
16 registration under the Retailers' Occupation Tax Act by the  
17 Department of Revenue. However, this requirement does not  
18 apply to a dealer who is already licensed hereunder with  
19 the Secretary of State, and who is merely applying for a  
20 renewal of his license. As evidence of this fact, the  
21 application shall be accompanied by a certification from  
22 the Department of Revenue showing that the Department has  
23 approved the applicant for registration under the  
24 Retailers' Occupation Tax Act.

25 4. A statement that the applicant has complied with the  
26 appropriate liability insurance requirement. A Certificate  
27 of Insurance in a solvent company authorized to do business  
28 in the State of Illinois shall be included with each  
29 application covering each location at which he proposes to  
30 act as a used vehicle dealer. The policy must provide  
31 liability coverage in the minimum amounts of \$100,000 for  
32 bodily injury to, or death of, any person, \$300,000 for  
33 bodily injury to, or death of, two or more persons in any  
34 one accident, and \$50,000 for damage to property. Such  
35 policy shall expire not sooner than December 31 of the year  
36 for which the license was issued or renewed. The expiration

1 of the insurance policy shall not terminate the liability  
2 under the policy arising during the period for which the  
3 policy was filed. Trailer and mobile home dealers are  
4 exempt from this requirement.

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

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

25 As used in this paragraph 4, a "permitted user" is a  
26 person who, with the permission of the used vehicle dealer  
27 or an employee of the used vehicle dealer, drives a vehicle  
28 owned and held for sale or lease by the used vehicle dealer  
29 which the person is considering to purchase or lease, in  
30 order to evaluate the performance, reliability, or  
31 condition of the vehicle. The term "permitted user" also  
32 includes a person who, with the permission of the used  
33 vehicle dealer, drives a vehicle owned or held for sale or  
34 lease by the used vehicle dealer for loaner purposes while  
35 the user's vehicle is being repaired or evaluated.

36 As used in this paragraph 4, "test driving" occurs when

1 a permitted user who, with the permission of the used  
2 vehicle dealer or an employee of the used vehicle dealer,  
3 drives a vehicle owned and held for sale or lease by a used  
4 vehicle dealer that the person is considering to purchase  
5 or lease, in order to evaluate the performance,  
6 reliability, or condition of the vehicle.

7 As used in this paragraph 4, "loaner purposes" means  
8 when a person who, with the permission of the used vehicle  
9 dealer, drives a vehicle owned or held for sale or lease by  
10 the used vehicle dealer while the user's vehicle is being  
11 repaired or evaluated.

12 5. An application for a used vehicle dealer's license  
13 shall indicate the number of vehicles sold by the dealer  
14 during the previous year, supported by documentation  
15 prescribed by the Secretary, and shall be accompanied by  
16 the following license fees:

17 (A) for dealers that sold 2,500 or more vehicles  
18 the previous year: \$1,500 for the applicant's  
19 established place of business; \$750 for each  
20 additional place of business, if any, to which the  
21 application pertains;

22 (B) for dealers that sold 1,500 to 2,499 vehicles  
23 the previous year: \$1,250 for the applicant's  
24 established place of business; \$625 for each  
25 additional place of business, if any, to which the  
26 application pertains;

27 (C) for dealers that sold 750 to 1,499 vehicles the  
28 previous year: \$1,000 for the applicant's established  
29 place of business, \$500 for each additional place of  
30 business, if any, to which the application pertains;

31 (D) for dealers that sold 500 to 749 vehicles the  
32 previous year: \$750 for the applicant's established  
33 place of business; \$375 for each additional place of  
34 business, if any, to which the application pertains.

35 (E) for dealers that sold 200 to 499 vehicles the  
36 previous year: \$500 for the applicant's established

1 place of business; \$250 for each additional place of  
2 business, if any, to which the application pertains;

3 (F) for dealers that sold 0 to 199 vehicles the  
4 previous year: \$250 for the applicant's established  
5 place of business; \$125 for each additional place of  
6 business, if any, to which the application pertains;  
7 but if the application is made after June 15 of any  
8 year, the license fee shall be \$125 for the applicant's  
9 established place of business and \$62.50 for each  
10 additional place of business, if any, to which the  
11 application pertains.

12 ~~\$1,000 for applicant's established place of business,~~  
13 ~~and \$50 for each additional place of business, if any, to~~  
14 ~~which the application pertains; however, if the~~  
15 ~~application is made after June 15 of any year, the license~~  
16 ~~fee shall be \$500 for applicant's established place of~~  
17 ~~business plus \$25 for each additional place of business, if~~  
18 ~~any, to which the application pertains.~~

19 License fees shall be returnable only in the event that  
20 the application is denied by the Secretary of State. Of the  
21 money received by the Secretary of State as license fees  
22 under this Section for the 2004 licensing year and  
23 thereafter, 95% shall be deposited into the General Revenue  
24 Fund.

25 6. A statement that the applicant's officers,  
26 directors, shareholders having a 10% or greater ownership  
27 interest therein, proprietor, partner, member, officer,  
28 director, trustee, manager or other principals in the  
29 business have not committed in the past 3 years any one  
30 violation as determined in any civil, criminal or  
31 administrative proceedings of any one of the following  
32 Acts:

33 (A) The Anti Theft Laws of the Illinois Vehicle  
34 Code;

35 (B) The Certificate of Title Laws of the Illinois  
36 Vehicle Code;

1 (C) The Offenses against Registration and  
2 Certificates of Title Laws of the Illinois Vehicle  
3 Code;

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

6 (E) Section 21-2 of the Illinois Criminal Code of  
7 1961, Criminal Trespass to Vehicles; or

8 (F) The Retailers' Occupation Tax Act.

9 7. 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 any calendar year 3 or more  
14 violations, as determined in any civil or criminal or  
15 administrative proceedings, of any one or more of the  
16 following Acts:

17 (A) The Consumer Finance Act;

18 (B) The Consumer Installment Loan Act;

19 (C) The Retail Installment Sales Act;

20 (D) The Motor Vehicle Retail Installment Sales  
21 Act;

22 (E) The Interest Act;

23 (F) The Illinois Wage Assignment Act;

24 (G) Part 8 of Article XII of the Code of Civil  
25 Procedure; or

26 (H) The Consumer Fraud Act.

27 8. A bond or Certificate of Deposit in the amount of  
28 \$20,000 for each location at which the applicant intends to  
29 act as a used vehicle dealer. The bond shall be for the  
30 term of the license, or its renewal, for which application  
31 is made, and shall expire not sooner than December 31 of  
32 the year for which the license was issued or renewed. The  
33 bond shall run to the People of the State of Illinois, with  
34 surety by a bonding or insurance company authorized to do  
35 business in this State. It shall be conditioned upon the  
36 proper transmittal of all title and registration fees and



1 taxes (excluding taxes under the Retailers' Occupation Tax  
2 Act) accepted by the applicant as a used vehicle dealer.

3 9. Such other information concerning the business of  
4 the applicant as the Secretary of State may by rule or  
5 regulation prescribe.

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

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

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

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

29 1. The name of the person licensed;

30 2. If a corporation, the name and address of its  
31 officers or if a sole proprietorship, a partnership, an  
32 unincorporated association or any similar form of business  
33 organization, the name and address of the proprietor or of  
34 each partner, member, officer, director, trustee or  
35 manager;

36 3. In case of an original license, the established

1 place of business of the licensee;

2 4. In the case of a supplemental license, the  
3 established place of business of the licensee and the  
4 additional place of business to which such supplemental  
5 license pertains.

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

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

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

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

27 1. A certificate of title properly assigned to the  
28 purchaser;

29 2. A statement verified under oath that all identifying  
30 numbers on the vehicle agree with those on the certificate  
31 of title;

32 3. A bill of sale properly executed on behalf of such  
33 person;

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

36 5. In the case of a rebuilt vehicle, a copy of the

1 Disclosure of Rebuilt Vehicle Status; and

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

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

11 (1) the name and address of the buyer and seller,

12 (2) the date of sale,

13 (3) a description of the mobile home, including the  
14 vehicle identification number, make, model, and year, and

15 (4) the Illinois certificate of title number.

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

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

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

30 (Source: P.A. 92-391, eff. 8-16-01; 92-835, eff. 6-1-03; 93-32,  
31 eff. 7-1-03.)

32 Section 99. Effective date. This Act takes effect upon  
33 becoming law.