



Sen. Jacqueline Y. Collins

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1 AMENDMENT TO SENATE BILL 2101

2 AMENDMENT NO. _____. Amend Senate Bill 2101 by replacing
3 everything after the enacting clause with the following:

4 "Section 1. Short title. This Act may be cited as the
5 Illinois Land Banking Act.

6 Section 5. Findings. There is a continuing need to
7 strengthen and revitalize the economy of this State. Vacant and
8 abandoned properties threaten communities around the State
9 because those properties diminish property values, enable
10 crime, and create health hazards. Municipalities are often
11 unaware of which properties are at risk of becoming vacant and
12 abandoned. Municipalities have an interest in knowing the
13 status of the housing stock located in their jurisdictions.
14 Local governments should be empowered to acquire, develop,
15 maintain, and dispose of vacant and abandoned properties that
16 present a threat to communities around the State.

1 Municipalities lack many of the tools necessary to ensure
2 adequate property maintenance. Municipalities are unable to
3 recover the reasonable costs of their property maintenance
4 activity.

5 Section 10. Definitions.

6 "Authority" means the land bank authority created pursuant
7 to this Act.

8 "Intergovernmental agreement" means a contractual
9 agreement between one or more governmental agencies,
10 including, but not limited to, an agreement to jointly exercise
11 any power, privilege, or authority that agencies share in
12 common and that each might exercise separately under this Act.

13 Section 15. Authorization. A municipality may create a land
14 bank authority with the powers and restrictions specified in
15 this Act. In creating an authority, the municipality shall
16 provide for all of the following:

17 (1) The incorporation of the authority as a public
18 body, corporate and politic.

19 (2) Articles of incorporation for the authority, which
20 must specify a list of permissible purposes for authority
21 activity under this Act.

22 (3) The size of the board of directors for the
23 authority, which shall be composed of an odd number of
24 members.

1 (4) The qualifications, methods of selection, and
2 terms of office of the board members.

3 Section 20. Election of tax remittance. A municipality may
4 authorize the remittance of a portion of taxes collected on
5 real property, pursuant to the Property Tax Code, to the
6 authority that sold or conveyed real property in order to
7 further the purposes of this Act. The municipality may elect to
8 have up to 50% of those taxes remitted to the authority for up
9 to 5 years after the land bank has completed the sale or
10 conveyance of the property.

11 Section 25. Board of directors. The board of the authority
12 shall meet from time to time as required, and the presence of a
13 majority of the board of directors shall constitute a quorum. A
14 chairperson shall be elected from among the members, and he or
15 she shall execute all deeds, leases, and contracts of the
16 authority when authorized by the board. The board of the
17 authority shall conduct meetings in accordance with the Open
18 Meetings Act. The board of the authority shall adopt a code of
19 ethics for its directors, officers, and employees. The board of
20 the authority shall establish policies and procedures
21 requiring the disclosure of relationships that may give rise to
22 a conflict of interest. The board of the authority shall
23 require that any member of the board with a direct or indirect
24 interest in any matter disclose the member's interest to the

1 board before the board takes any action on that matter. Members
2 of the board of directors of an authority shall serve without
3 compensation.

4 Section 30. Powers. Except as otherwise provided in this
5 Act, an authority may do all things necessary or convenient to
6 implement the purposes, objectives, and provisions of this Act,
7 including but not limited to the following:

8 (a) Acquire property pursuant to Section 35 of this
9 Act.

10 (b) Adopt, amend, and repeal bylaws for the regulation
11 of its affairs and the conduct of its business.

12 (c) Sue and be sued in its own name and plead and be
13 impleaded, including, but not limited to, defending the
14 authority in an action to clear title to property conveyed
15 by the authority.

16 (d) Take any action, provide any notice, or instate any
17 proceeding required to clear or quiet title to property
18 held by the authority in order to establish ownership by
19 and vest title to property in the authority.

20 (e) Be made party to and defend any action or
21 proceeding concerning title claims against property held
22 by the authority.

23 (f) Borrow money and issue bonds and notes according to
24 the provisions of this Act.

25 (g) Enter into contracts and other instruments

1 necessary, incidental, or convenient to the performance of
2 its duties and the exercise of its powers, including, but
3 not limited to, intergovernmental agreements, for the
4 joint exercise of power under this Act.

5 (h) Enter into contracts for the management of, the
6 collection of rent from, and the sale of real property held
7 by an authority.

8 (i) Enter into contracts with other entities, public or
9 private, for the provision of all or a portion of the
10 services necessary for the management and operation of the
11 authority.

12 (j) Solicit and accept gifts, grants, labor, loans, and
13 other aid from any person, the federal government, this
14 State, a political subdivision of this State or any agency
15 of the federal government, or an intergovernmental entity
16 created under the laws of this State or participate in any
17 other way in a program of the federal government, this
18 State, a political subdivision of this State, or an
19 intergovernmental entity created under the laws of this
20 State.

21 (k) Procure insurance against loss in connection with
22 the property, assets, or activities of the authority.

23 (l) Control, hold, manage, maintain, operate, repair,
24 lease as lessor, secure, prevent the waste or deterioration
25 of, demolish, and take all other actions necessary to
26 preserve the value of the property it holds or owns.

1 (m) Remediate environmental contamination on any
2 property held by the authority.

3 (n) Fix, charge, and collect rents, fees, and charges
4 for use of property under the control of the authority or
5 for services provided by the authority.

6 (o) Grant or acquire a license, easement, or option
7 with respect to property as the authority determines is
8 reasonably necessary to achieve the purposes of the Act.

9 (p) Pay any tax or special assessment due on property
10 acquired or owned by the authority.

11 (q) Invest money of the authority, at the discretion of
12 the board of directors of the authority, in instruments,
13 obligations, securities, or property determined proper by
14 the board of directors of the authority, and name and use
15 depositories for its money.

16 (r) Employ its own employees or use employees of the
17 authorizing municipality or employees of the parties to
18 intergovernmental agreements.

19 (s) Employ legal and technical experts, other
20 officers, agents, or employees and pay them from the funds
21 of the authority and determine the qualifications, duties,
22 and compensation of those it employs.

23 (t) The board of directors of an authority may delegate
24 to one or more of its members, officers, agents, or
25 employees any powers or duties it considers proper.

26 (u) Reimburse members of the board of directors of the

1 authority for actual and necessary expenses subject to
2 available appropriations.

3 (v) Contract for goods and services and engage
4 personnel as necessary and engage the services of private
5 consultants, managers, legal counsel, engineers, accounts,
6 and auditors for rendering professional financial
7 assistance and advice payable out of any money available to
8 the authority.

9 (w) Prepare the reports or plans the authority
10 considers necessary to assist it in the exercise of its
11 powers under this Act and to monitor and evaluate progress
12 under this Act.

13 (x) Do all other things necessary or convenient to
14 achieve the objectives and purposes of the authority or
15 other laws that relate to the purposes and responsibility
16 of the authority.

17 The enumeration of a power in this Act shall not be
18 construed as a limitation upon the general powers of an
19 authority.

20 Section 35. Acquisition of property. An authority may
21 acquire by gift, devise, transfer, exchange, foreclosure,
22 purchase, or otherwise on terms and conditions and in a manner
23 the authority considers proper, real property within the
24 authority's jurisdiction, or rights or interests in real
25 property within the authority's jurisdiction.

1 An authority may acquire by gift, devise, transfer,
2 exchange, foreclosure, purchase, or otherwise on terms and
3 conditions and in a manner the authority considers proper, real
4 property outside of the authority's jurisdiction pursuant to an
5 intergovernmental agreement, or rights or interests in real
6 property outside of the authority's jurisdiction pursuant to an
7 intergovernmental agreement.

8 An authority may acquire by gift, devise, transfer,
9 exchange, foreclosure, purchase, or otherwise on terms and
10 conditions and in a manner the authority considers proper,
11 personal property, or rights or interests in personal property.

12 Real property acquired by an authority by purchase may be
13 by purchase contract, lease purchase agreement, installment
14 sales contract, land contract, or otherwise.

15 An authority may hold and own in its name any property
16 acquired by it or conveyed to it by this State, a foreclosing
17 governmental unit, a unit of local government, an
18 intergovernmental entity created under the laws of this State,
19 or any other public or private person, including, but not
20 limited to, property without clear title.

21 All deeds, mortgages, contracts, leases, purchases, or
22 other agreements regarding property of an authority, including
23 agreements to acquire or dispose of real property, shall be
24 approved by and executed in the name of the authority.

25 The authority shall have the right to purchase properties
26 at tax sales conducted in accordance with Division 3.5 of the

1 Property Tax Code.

2 (a) The authority may tender a bid at a tax sale that
3 is a credit bid, consisting of the obligation of the
4 authority to satisfy the component parts of the bid by
5 payments to the respective political subdivisions.

6 (b) A bid by the authority at a tax sale for the
7 minimum amount shall take priority over all other bids for
8 the same property.

9 Section 40. Taxes. When a property is acquired by the
10 authority, the authority shall have the power to extinguish all
11 outstanding county and city or consolidated government taxes,
12 including school district taxes, at the time it sells or
13 otherwise disposes of property.

14 Property of an authority is public property devoted to an
15 essential public and governmental function and purpose. Income
16 of the authority is considered to be for a public and
17 governmental purpose. The property of the authority and its
18 income and operation are exempt from all taxes and special
19 assessments of this State and all units of local government.
20 Bonds or notes issued by the authority, and the interest on and
21 income from those bonds and notes, are exempt from all taxation
22 of this State or a unit of local government.

23 Section 45. Disposition. The authority may convey, sell,
24 transfer, exchange, lease as lessor, or otherwise dispose of

1 property or rights or interests in property to which the
2 authority holds a legal interest to any public or private
3 person for value determined by the authority.

4 Section 50. Receipt of taxes. All moneys received by an
5 authority as payment of taxes, penalties, or interest, or from
6 the redemption or sale of property subject to a tax lien of any
7 taxing unit shall be returned to the appropriate local tax
8 collecting unit in which the property is located.

9 Section 55. Proceeds. Except as otherwise provided in this
10 Act, as required by other law, as required under the provisions
11 of a deed, or as an authority otherwise agrees, any proceeds
12 received by the authority may be retained by the authority for
13 the purposes of this Act.

14 Section 60. Record maintenance. The authority shall
15 maintain a written inventory of all property held by the
16 authority. The property shall be inventoried and classified by
17 the authority according to title status and suitability for
18 use. The inventory shall be available for public inspection
19 during regular business hours.

20 For each property held, the authority shall establish and
21 maintain itemized records and accounts reflecting all
22 transactions, expenditures, and revenues relating to all
23 property held by the authority.

1 Section 65. The Property Tax Code is amended by adding
2 Sections 21-231 and 22-40 as follows:

3 (35 ILCS 200/21-231 new)

4 Sec. 21-231. Notice of sales and redemptions. When any
5 property is sold, the county clerk shall send notice of the
6 sale to the municipal clerk of the jurisdiction where the
7 property is located of the name of the purchaser and the amount
8 of the final bid. When any property is redeemed from sale, the
9 county clerk shall send notice to the municipal clerk of the
10 jurisdiction where the property is located of the name of the
11 person redeeming and the redemption date. These notices must be
12 sent by registered or certified mail within 30 days after sale
13 or redemption.

14 (35 ILCS 200/22-40)

15 Sec. 22-40. Issuance of deed; possession.

16 (a) If the redemption period expires and the property has
17 not been redeemed and all taxes and special assessments which
18 became due and payable subsequent to the sale have been paid
19 and all forfeitures and sales which occur subsequent to the
20 sale have been redeemed and the notices required by law have
21 been given and all advancements of public funds under the
22 police power made by a city, village or town under Section
23 22-35 have been paid and the petitioner has complied with all

1 the provisions of law entitling him or her to a deed, the court
2 shall so find and shall enter an order directing the county
3 clerk on the production of the certificate of purchase and a
4 certified copy of the order, to issue to the purchaser or his
5 or her assignee a tax deed. The court shall insist on strict
6 compliance with Section 22-10 through 22-25. Prior to the entry
7 of an order directing the issuance of a tax deed, the
8 petitioner shall furnish the court with a report of proceedings
9 of the evidence received on the application for tax deed and
10 the report of proceedings shall be filed and made a part of the
11 court record.

12 (b) If taxes for years prior to the year or years sold are
13 or become delinquent subsequent to the date of sale, the court
14 shall find that the lien of those delinquent taxes has been or
15 will be merged into the tax deed grantee's title if the court
16 determines that the tax deed grantee or any prior holder of the
17 certificate of purchase, or any person or entity under common
18 ownership or control with any such grantee or prior holder of
19 the certificate of purchase, was at no time the holder of any
20 certificate of purchase for the years sought to be merged. If
21 delinquent taxes are merged into the tax deed pursuant to this
22 subsection, the court shall enter an order declaring which
23 specific taxes have been or will be merged into the tax deed
24 title and directing the county treasurer and county clerk to
25 reflect that declaration in the warrant and judgment records;
26 provided, that no such order shall be effective until a tax

1 deed has been issued and timely recorded. Nothing contained in
2 this Section shall relieve any owner liable for delinquent
3 property taxes under this Code from the payment of the taxes
4 that have been merged into the title upon issuance of the tax
5 deed.

6 (c) The county clerk is entitled to a fee of \$10 in
7 counties of 3,000,000 or more inhabitants and \$5 in counties
8 with less than 3,000,000 inhabitants for the issuance of the
9 tax deed. The clerk may not include in a tax deed more than one
10 property as listed, assessed and sold in one description,
11 except in cases where several properties are owned by one
12 person.

13 Upon application the court shall, enter an order to place
14 the tax deed grantee or the grantee's successor in interest in
15 possession of the property and may enter orders and grant
16 relief as may be necessary or desirable to maintain the grantee
17 or the grantee's successor in interest in possession.

18 (d) The court shall retain jurisdiction to enter orders
19 pursuant to subsections (b) and (c) of this Section. This
20 amendatory Act of the 92nd General Assembly and this amendatory
21 Act of the 95th General Assembly shall be construed as being
22 declarative of existing law and not as a new enactment.

23 (e) When the deed is issued, the county clerk shall send
24 notice to the municipal clerk where the property is located of
25 the full name and the true post office address and residence of
26 the grantee. The notice must be sent by registered or certified

1 mail within 30 days after the issuance of the deed.

2 (Source: P.A. 95-477, eff. 6-1-08.)

3 Section 70. The Illinois Municipal Code is amended by
4 changing Sections 11-20-7 and 11-20-13 and by adding Sections
5 11-20-15, 11-20-16, and 11-20-17 as follows:

6 (65 ILCS 5/11-20-7) (from Ch. 24, par. 11-20-7)

7 Sec. 11-20-7. Cutting of weeds. The corporate authorities
8 of each municipality may provide for the cutting of weeds or
9 grass, the trimming of trees or bushes, and the removal of
10 nuisance bushes or trees in the municipality, when the owners
11 of real estate refuse or neglect to cut, trim, or remove them
12 and to collect from the owners of private property the
13 reasonable cost thereof. This cost, including any associated
14 fees and other costs related to the enforcement of this
15 Section, is a lien upon the real estate affected, superior to
16 all other liens and encumbrances, except tax liens; provided
17 that within 60 days after such cost and expense is incurred the
18 municipality, or person performing the service by authority of
19 the municipality, in his or its own name, files notice of lien
20 in the office of the recorder in the county in which such real
21 estate is located or in the office of the Registrar of Titles
22 of such county if the real estate affected is registered under
23 the Torrens system. The notice shall consist of a sworn
24 statement setting out (1) a description of the real estate

1 sufficient for identification thereof, (2) the amount of money
2 representing the cost and expense incurred or payable for the
3 service, and (3) the date or dates when such cost and expense
4 was incurred by the municipality. However, the lien of such
5 municipality shall not be valid as to any purchaser whose
6 rights in and to such real estate have arisen subsequent to the
7 cutting of weeds or grass, the trimming of trees or bushes, or
8 the removal of nuisance bushes or trees and prior to the filing
9 of such notice, ~~and the lien of such municipality shall not be~~
10 ~~valid as to any mortgagee, judgment creditor or other lienor~~
11 ~~whose rights in and to such real estate arise prior to the~~
12 ~~filing of such notice.~~ Upon payment of the cost and expense by
13 the owner of or persons interested in such property after
14 notice of lien has been filed, the lien shall be released by
15 the municipality or person in whose name the lien has been
16 filed and the release may be filed of record as in the case of
17 filing notice of lien.

18 The cost of the cutting, trimming, or removal of weeds,
19 grass, trees, or bushes shall not be lien on the real estate
20 affected unless a notice is personally served on, or sent by
21 certified mail to, the person to whom was sent the tax bill for
22 the general taxes on the property for the last preceding year.
23 The notice shall be delivered or sent after the cutting,
24 trimming, or removal of weeds, grass, trees, or bushes on the
25 property. The notice shall state the substance of this Section
26 and the substance of any ordinance of the municipality

1 implementing this Section and shall identify the property, by
2 common description, and the location of the weeds to be cut.

3 (Source: P.A. 95-183, eff. 8-14-07.)

4 (65 ILCS 5/11-20-13) (from Ch. 24, par. 11-20-13)

5 Sec. 11-20-13. Removal of garbage, debris, and graffiti.

6 The corporate authorities of each municipality may provide for
7 the removal of garbage, debris, and graffiti from private
8 property when the owner of such property, after reasonable
9 notice, refuses or neglects to remove such garbage, debris, and
10 graffiti and may collect from such owner the reasonable cost
11 thereof except in the case of graffiti. This cost, including
12 any associated fees and other costs related to the enforcement
13 of this Section, is a lien upon the real estate affected,
14 superior to all subsequent liens and encumbrances, except tax
15 liens, if within 60 days after such cost and expense is
16 incurred the municipality, or person performing the service by
17 authority of the municipality, in his or its own name, files
18 notice of lien in the office of the recorder in the county in
19 which such real estate is located or in the office of the
20 Registrar of Titles of such county if the real estate affected
21 is registered under "An Act concerning land titles", approved
22 May 1, 1897, as amended. The notice shall consist of a sworn
23 statement setting out (1) a description of the real estate
24 sufficient for identification thereof, (2) the amount of money
25 representing the cost and expense incurred or payable for the

1 service, and (3) the date or dates when such cost and expense
2 was incurred by the municipality. However, the lien of such
3 municipality shall not be valid as to any purchaser whose
4 rights in and to such real estate have arisen subsequent to
5 removal of the garbage and debris and prior to the filing of
6 such notice, ~~and the lien of such municipality shall not be~~
7 ~~valid as to any mortgagee, judgment creditor or other lienor~~
8 ~~whose rights in and to such real estate arise prior to the~~
9 ~~filing of such notice.~~ Upon payment of the cost and expense by
10 the owner of or persons interested in such property after
11 notice of lien has been filed, the lien shall be released by
12 the municipality or person in whose name the lien has been
13 filed and the release may be filed of record as in the case of
14 filing notice of lien. The lien may be enforced by proceedings
15 to foreclose as in case of mortgages or mechanics' liens. An
16 action to foreclose this lien shall be commenced within 2 years
17 after the date of filing notice of lien.

18 This amendatory Act of 1973 does not apply to any
19 municipality which is a home rule unit.

20 (Source: P.A. 90-292, eff. 1-1-98.)

21 (65 ILCS 5/11-20-15 new)

22 Sec. 11-20-15. Vacant and abandoned property ordinances.
23 For the purposes of minimizing the hazards to persons and
24 property resulting from vacant and abandoned property, the
25 corporate authority of each municipality may prescribe rules,

1 regulations, or ordinances for the maintenance of vacant and
2 abandoned property. The corporate authorities of a
3 municipality may impose registration fees for vacant and
4 abandoned property and fines for failure to comply with the
5 rules, regulations, or ordinances enacted pursuant to this
6 Section.

7 (65 ILCS 5/11-20-16 new)

8 Sec. 11-20-16. Mortgage beneficiary responsibility.
9 Municipalities may hold responsible for any failure to comply
10 with rules, regulations, or ordinances for the maintenance of
11 vacant and abandoned property (i) any beneficiary or trustee,
12 who holds a deed of trust on a neglected property located
13 within the municipality, or (ii) any mortgagee who holds a
14 mortgage on a neglected property located within the
15 municipality, and has filed a notice of default under Section
16 15-1503 of the Code of Civil Procedure.

17 If a beneficiary or trustee, who holds a deed of trust on a
18 neglected property, or a mortgagee who holds a mortgage on a
19 neglected property, is held responsible for any failure to
20 comply with municipal law, that beneficiary, trustee, or
21 mortgagee may enter the property, after proper notice, to
22 remedy any violation of the rules, regulations, or ordinances
23 for the maintenance of vacant and abandoned property. The
24 beneficiary, trustee, or mortgagee may enter the property only
25 if, 15 days after the beneficiary, trustee, or mortgagee sent

1 proper notice, the property owners and occupants have failed to
2 comply with the rules, regulations, or ordinances at issue.

3 For the purpose of this Section, "neglected" means that
4 there has been no occupant in the property for a period of 6
5 months and 2 or more of the following criteria have been met:

6 (a) Construction was initiated on the property and was
7 discontinued prior to completion, leaving the building
8 unsuitable for occupancy, and no construction has taken
9 place for at least 6 months.

10 (b) At least one installment of property tax is unpaid
11 and delinquent.

12 (c) The property has had more than one uncorrected
13 municipal code violation over the past year.

14 (d) Gas, electric, or water service to the premises has
15 been terminated.

16 (e) Windows or entrances to the premises are boarded up
17 or closed off, or multiple window panes are broken and
18 unrepaired.

19 (f) Doors to the premises are smashed through, broken
20 off, unhinged, or continuously unlocked.

21 (g) Rubbish, trash, or debris has accumulated on the
22 premises.

23 (h) The police or sheriff's office has received at
24 least 2 reports of trespassers on the premises, or of
25 vandalism or other illegal acts being committed on the
26 premises in the past 6 months.

1 (i) The property is a nuisance.

2 For the purpose of this Section, "mortgagee" means (i) the
3 holder of an indebtedness, obligee of a non-monetary obligation
4 secured by a mortgage, or any person designated or authorized
5 to act on behalf of such holder and (ii) any person claiming
6 through a mortgagee as successor.

7 For the purpose of this Section, "proper notice" means
8 notice to all property owners and occupants by certified or
9 registered mail stating the intent of the beneficiary, trustee,
10 or mortgagee to enter the property; the notice must be sent at
11 least 15 days before the beneficiary, trustee, or mortgagee
12 enters the property. The notice must specify the municipal law
13 violations the beneficiary, trustee, or mortgagee has been held
14 responsible for by a municipality.

15 For the purpose of this Section, "occupant" means a person
16 in lawful physical possession of all or part of the mortgaged
17 real estate.

18 For the purpose of this Section, "nuisance" means any
19 property that because of its physical condition or use is a
20 public nuisance, or any property that constitutes a blight on
21 the surrounding area, or any property that is not fit for human
22 habitation under the applicable fire, building, and housing
23 codes. "Nuisance" also means any property on which any illegal
24 activity involving controlled substances, methamphetamine, or
25 cannabis takes place or any property on which any
26 streetgang-related activity takes place.

1 (65 ILCS 5/11-20-17 new)

2 Sec. 11-20-17. Care for vacant and abandoned buildings. The
3 corporate authorities of each municipality may (i) provide for
4 property maintenance required to correct violations of
5 municipal vacant and abandoned property rules, regulations,
6 and ordinances that would fall within those rules, regulations,
7 and ordinances contemplated by Section 11-20-15, when the
8 owners of real estate refuse or neglect to correct such
9 violations and (ii) collect from the owners of private property
10 the reasonable cost thereof. This cost, including any
11 associated fees and other costs related to the enforcement of
12 this Section, is a lien upon the real estate affected, superior
13 to all subsequent liens and encumbrances, except tax liens;
14 provided that within 60 days after such cost and expense is
15 incurred the municipality, or person performing the service by
16 authority of the municipality, in that person's own name, file
17 notice of lien in the office of the recorder in the county in
18 which the real estate is located or in the office of the
19 Registrar of Titles of the county if the real estate affected
20 is registered under the Torrens system. The notice shall
21 consist of a sworn statement setting out (i) a description of
22 the real estate sufficient for identification thereof, (ii) the
23 amount of money representing the cost and expense incurred or
24 payable for the service, and (iii) the date or dates when the
25 cost and expense was incurred by the municipality. However, the

1 lien of the municipality shall not be valid as to any purchaser
2 whose rights in and to the real estate have arisen subsequent
3 to the property maintenance and prior to the filing of such
4 notice. Upon payment of the cost and expense by the owner of or
5 persons interested in the property after notice of lien has
6 been filed, the lien shall be released by the municipality or
7 person in whose name the lien has been filed and the release
8 may be filed of record as in the case of filing notice of lien.
9 The lien may be enforced by proceedings to foreclose as in case
10 of mortgages or mechanics' liens. An action to foreclose this
11 lien shall be commenced within 2 years after the date of filing
12 notice of lien.

13 Section 75. The Code of Civil Procedure is amended by
14 changing Section 15-1503.5 and by adding Section 15-1508 as
15 follows:

16 (735 ILCS 5/15-1503.5 new)

17 Sec. 15-1503.5. Notice of foreclosure to municipalities;
18 servicer duties.

19 (a) The municipality within the boundaries of which the
20 property is located shall be provided notice of foreclosure;
21 and all parties shall include the clerk of that municipality in
22 any mailings or notices associated with foreclosure
23 proceedings concerning property within the municipality's
24 boundaries. All notices must be sent by registered or certified

1 mail. The municipality shall not be joined as a party unless
2 the municipality is joined as a party under other provisions of
3 this Section.

4 When notice of foreclosure is sent to a municipality, it
5 shall include (i) the names of all plaintiffs and the case
6 number, (ii) the court in which the action was brought, (iii)
7 the names of title holders of record, (iv) a legal description
8 of the real estate sufficient to identify it with reasonable
9 certainty, (v) a common address or description of the location
10 of the real estate, (vi) identification of the mortgage sought
11 to be foreclosed, (vii) the name, address, and phone number of
12 the servicer, servicer's agent, or servicer's representative,
13 and (viii) the name of a natural person, 21 years of age or
14 older, who maintains a permanent residence in Illinois and who
15 can be contacted by the municipality to answer questions
16 relating to the maintenance of the property. The notice must be
17 sent within 10 days after the filing of a notice of foreclosure
18 under Section 15-1503 with the county in which the mortgaged
19 real estate is located.

20 If, before a foreclosure sale is completed, there is a
21 change in any of the relevant required information, such as
22 name, phone number, agent, or local representative, then new
23 notice must be sent to the municipality informing the
24 municipality of the change. The notice must be sent within 30
25 days of the change.

26 (b) Servicers have the following duties in replying to

1 municipal inquiries:

2 (1) In general. If any servicer of a loan receives a
3 qualified written request from a municipality for
4 information relating to the maintenance of the property
5 covered by the loan, the servicer shall provide a written
6 response acknowledging the receipt of the correspondence
7 within 20 days (excluding public holidays, Saturdays, and
8 Sundays) unless the action requested is taken within that
9 period.

10 (2) Qualified written request. For the purposes of this
11 subsection, a qualified written request shall be a written
12 correspondence that includes, or otherwise enables the
13 servicer to identify, the name and account of the borrower.

14 (3) Action with respect to inquiry. Not later than 60
15 days (excluding legal public holidays, Saturdays, and
16 Sundays) after the receipt from any municipality of any
17 qualified written request the servicer shall provide the
18 information requested.

19 Any person, partnership, association, corporation, or
20 other entity that violates any provision of this subsection
21 commits a business offense and shall be fined an amount not to
22 exceed \$25,000 by the Commissioner of Banks and Real Estate or
23 a person authorized by the Commissioner, the Office of Banks
24 and Real Estate Act, or this Act to act in the Commissioner's
25 stead.

26 (c) For the purposes of this Section, the term "servicer"

1 means the person responsible for servicing of a loan. The term
2 includes the person who makes or holds a loan if that person
3 also services the loan.

4 For the purposes of this Section, the term "servicing"
5 means the collection or remittance or the right or obligation
6 to collect or remit for any lender, noteowner, noteholder, or
7 for a licensee's own account, of payments, interest, principal,
8 and trust items such as hazard insurance and taxes on a
9 residential mortgage loan in accordance with the terms of the
10 residential mortgage loan; and includes loan payment
11 follow-up, delinquency loan follow-up, loan analysis, and any
12 notifications to the borrower that are necessary to enable the
13 borrower to keep the loan current and in good standing.

14 (735 ILCS 5/15-1508) (from Ch. 110, par. 15-1508)

15 Sec. 15-1508. Report of Sale and Confirmation of Sale.

16 (a) Report.

17 (1) The person conducting the sale shall promptly make
18 a report to the court, which report shall include a copy of
19 all receipts and, if any, certificate of sale.

20 (2) The person conducting the sale shall promptly make
21 a report to the municipality, which report shall include
22 the name of the party purchasing the property if the
23 property is sold, or the name of the resulting
24 property-holding entity if there is no sale. Such a report
25 must be sent by registered or certified mail within 30 days

1 after the sale proceeding.

2 (b) Hearing. Upon motion and notice in accordance with
3 court rules applicable to motions generally, which motion shall
4 not be made prior to sale, the court shall conduct a hearing to
5 confirm the sale. Unless the court finds that (i) a notice
6 required in accordance with subsection (c) of Section 15-1507
7 was not given, (ii) the terms of sale were unconscionable,
8 (iii) the sale was conducted fraudulently or (iv) that justice
9 was otherwise not done, the court shall then enter an order
10 confirming the sale. The confirmation order may also:

11 (1) approve the mortgagee's fees and costs arising
12 between the entry of the judgment of foreclosure and the
13 confirmation hearing, those costs and fees to be allowable
14 to the same extent as provided in the note and mortgage and
15 in Section 15-1504;

16 (2) provide for a personal judgment against any party
17 for a deficiency; and

18 (3) determine the priority of the judgments of parties
19 who deferred proving the priority pursuant to subsection
20 (h) of Section 15-1506, but the court shall not defer
21 confirming the sale pending the determination of such
22 priority.

23 (b-5) Notice with respect to residential real estate. With
24 respect to residential real estate, the notice required under
25 subsection (b) of this Section shall be sent to the mortgagor
26 even if the mortgagor has previously been held in default. In

1 the event the mortgagor has filed an appearance, the notice
2 shall be sent to the address indicated on the appearance. In
3 all other cases, the notice shall be sent to the mortgagor at
4 the common address of the foreclosed property. The notice shall
5 be sent by first class mail. Unless the right to possession has
6 been previously terminated by the court, the notice shall
7 include the following language in 12-point boldface
8 capitalized type:

9 IF YOU ARE THE MORTGAGOR (HOMEOWNER), YOU HAVE THE RIGHT TO
10 REMAIN IN POSSESSION FOR 30 DAYS AFTER ENTRY OF AN ORDER OF
11 POSSESSION, IN ACCORDANCE WITH SECTION 15-1701(c) OF THE
12 ILLINOIS MORTGAGE FORECLOSURE LAW.

13 (c) Failure to Give Notice. If any sale is held without
14 compliance with subsection (c) of Section 15-1507 of this
15 Article, any party entitled to the notice provided for in
16 paragraph (3) of that subsection (c) who was not so notified
17 may, by motion supported by affidavit made prior to
18 confirmation of such sale, ask the court which entered the
19 judgment to set aside the sale, provided that such party shall
20 guarantee or secure by bond a bid equal to the successful bid
21 at the prior sale. Any subsequent sale is subject to the same
22 notice requirement as the original sale.

23 (d) Validity of Sale. Except as provided in subsection (c)
24 of Section 15-1508, no sale under this Article shall be held
25 invalid or be set aside because of any defect in the notice
26 thereof or in the publication of the same, or in the

1 proceedings of the officer conducting the sale, except upon
2 good cause shown in a hearing pursuant to subsection (b) of
3 Section 15-1508. At any time after a sale has occurred, any
4 party entitled to notice under paragraph (3) of subsection (c)
5 of Section 15-1507 may recover from the mortgagee any damages
6 caused by the mortgagee's failure to comply with such paragraph
7 (3). Any party who recovers damages in a judicial proceeding
8 brought under this subsection may also recover from the
9 mortgagee the reasonable expenses of litigation, including
10 reasonable attorney's fees.

11 (e) Deficiency Judgment. In any order confirming a sale
12 pursuant to the judgment of foreclosure, the court shall also
13 enter a personal judgment for deficiency against any party (i)
14 if otherwise authorized and (ii) to the extent requested in the
15 complaint and proven upon presentation of the report of sale in
16 accordance with Section 15-1508. Except as otherwise provided
17 in this Article, a judgment may be entered for any balance of
18 money that may be found due to the plaintiff, over and above
19 the proceeds of the sale or sales, and enforcement may be had
20 for the collection of such balance, the same as when the
21 judgment is solely for the payment of money. Such judgment may
22 be entered, or enforcement had, only in cases where personal
23 service has been had upon the persons personally liable for the
24 mortgage indebtedness, unless they have entered their
25 appearance in the foreclosure action.

26 (f) Satisfaction. Upon confirmation of the sale, the

1 judgment stands satisfied to the extent of the sale price less
2 expenses and costs. If the order confirming the sale includes a
3 deficiency judgment, the judgment shall become a lien in the
4 manner of any other judgment for the payment of money.

5 (g) The order confirming the sale shall include,
6 notwithstanding any previous orders awarding possession during
7 the pendency of the foreclosure, an award to the purchaser of
8 possession of the mortgaged real estate, as of the date 30 days
9 after the entry of the order, against the parties to the
10 foreclosure whose interests have been terminated.

11 An order of possession authorizing the removal of a person
12 from possession of the mortgaged real estate shall be entered
13 and enforced only against those persons personally named as
14 individuals in the complaint or the petition under subsection
15 (h) of Section 15-1701 and in the order of possession and shall
16 not be entered and enforced against any person who is only
17 generically described as an unknown owner or nonrecord claimant
18 or by another generic designation in the complaint.

19 Notwithstanding the preceding paragraph, the failure to
20 personally name, include, or seek an award of possession of the
21 mortgaged real estate against a person in the confirmation
22 order shall not abrogate any right that the purchaser may have
23 to possession of the mortgaged real estate and to maintain a
24 proceeding against that person for possession under Article 9
25 of this Code or subsection (h) of Section 15-1701; and
26 possession against a person who (1) has not been personally

1 named as a party to the foreclosure and (2) has not been
2 provided an opportunity to be heard in the foreclosure
3 proceeding may be sought only by maintaining a proceeding under
4 Article 9 of this Code or subsection (h) of Section 15-1701.
5 (Source: P.A. 95-826, eff. 8-14-08.)".