

97TH GENERAL ASSEMBLY**State of Illinois****2011 and 2012****SB3521**

Introduced 2/8/2012, by Sen. Mike Jacobs

SYNOPSIS AS INTRODUCED:

See Index

Amends the Illinois Vehicle Code. Provides that beginning January 1, 2013, the Secretary of State is authorized to collect for deposit into the Motor Vehicle License Plate Fund a delinquent vehicle dealer transfer fee in the following amounts: \$20 if the certificate of title is received 30 days after the date of sale; \$35 if received after 60 days; \$65 if received after 90 days; \$100 if received after 120 days. Provides that prior to issuance of a certificate of title, a homemade trailer must be inspected by a Secretary of State employee (instead of by a Secretary of State investigator). Provides that the Secretary may issue a dealer lien release certificate of title for a fee of \$20, provided certain conditions are met. Provides that the Secretary may deny, revoke, or suspend the dealer license of a licensee who has failed to pay, within 90 days after notice has been given, any fine or fee owed as a result of an administrative citation issued by the Secretary. Increases the fine for operating a business after having failed to obtain a license from \$300 to \$500 per day. Increases the fine for operating a business with a revoked, suspended, denied, or cancelled license from \$500 to \$1000 per day. Provides that instead of filing a criminal complaint against an entity licensed by the Secretary, a Secretary of State Police investigator may issue administrative citations for violations of statutes or rules concerning dealers, transporters, wreckers and rebuilders. Contains procedural requirements concerning the issuance of administrative citations. Provides that the penalty imposed by issuance of an administrative citation shall not exceed \$50 per violation. Provides that penalties paid as a result of the issuance of administrative citations shall be deposited in the Secretary of State Police Services Fund. Effective immediately.

LRB097 19811 HEP 65504 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

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 2-119, 3-104, 3-113, 3-821, 5-501, 5-503, and 5-801
6 and by adding Section 5-803 as follows:

7 (625 ILCS 5/2-119) (from Ch. 95 1/2, par. 2-119)

8 Sec. 2-119. Disposition of fees and taxes.

9 (a) All moneys received from Salvage Certificates shall be
10 deposited in the Common School Fund in the State Treasury.

11 (b) Beginning January 1, 1990 and concluding December 31,
12 1994, of the money collected for each certificate of title,
13 duplicate certificate of title and corrected certificate of
14 title, \$0.50 shall be deposited into the Used Tire Management
15 Fund. Beginning January 1, 1990 and concluding December 31,
16 1994, of the money collected for each certificate of title,
17 duplicate certificate of title and corrected certificate of
18 title, \$1.50 shall be deposited in the Park and Conservation
19 Fund.

20 Beginning January 1, 1995, of the money collected for each
21 certificate of title, duplicate certificate of title and
22 corrected certificate of title, \$2 shall be deposited in the
23 Park and Conservation Fund. The moneys deposited in the Park

1 and Conservation Fund pursuant to this Section shall be used
2 for the acquisition and development of bike paths as provided
3 for in Section 805-420 of the Department of Natural Resources
4 (Conservation) Law (20 ILCS 805/805-420).

5 Beginning January 1, 2000, of the moneys collected for each
6 certificate of title, duplicate certificate of title, and
7 corrected certificate of title, \$48 shall be deposited into the
8 Road Fund and \$4 shall be deposited into the Motor Vehicle
9 License Plate Fund, except that if the balance in the Motor
10 Vehicle License Plate Fund exceeds \$40,000,000 on the last day
11 of a calendar month, then during the next calendar month the \$4
12 shall instead be deposited into the Road Fund.

13 Beginning January 1, 2005, of the moneys collected for each
14 delinquent vehicle registration renewal fee, \$20 shall be
15 deposited into the General Revenue Fund.

16 Beginning January 1, 2013, the moneys collected for each
17 delinquent vehicle dealer transfer fee shall be deposited into
18 the Motor Vehicle License Plate Fund.

19 Except as otherwise provided in this Code, all remaining
20 moneys collected for certificates of title, and all moneys
21 collected for filing of security interests, shall be placed in
22 the General Revenue Fund in the State Treasury.

23 (c) All moneys collected for that portion of a driver's
24 license fee designated for driver education under Section 6-118
25 shall be placed in the Driver Education Fund in the State
26 Treasury.

1 (d) Beginning January 1, 1999, of the monies collected as a
2 registration fee for each motorcycle, motor driven cycle and
3 moped, 27% of each annual registration fee for such vehicle and
4 27% of each semiannual registration fee for such vehicle is
5 deposited in the Cycle Rider Safety Training Fund.

6 (e) Of the monies received by the Secretary of State as
7 registration fees or taxes or as payment of any other fee, as
8 provided in this Act, except fees received by the Secretary
9 under paragraph (7) of subsection (b) of Section 5-101 and
10 Section 5-109 of this Code, 37% shall be deposited into the
11 State Construction Fund.

12 (f) Of the total money collected for a CDL instruction
13 permit or original or renewal issuance of a commercial driver's
14 license (CDL) pursuant to the Uniform Commercial Driver's
15 License Act (UCDLA): (i) \$6 of the total fee for an original or
16 renewal CDL, and \$6 of the total CDL instruction permit fee
17 when such permit is issued to any person holding a valid
18 Illinois driver's license, shall be paid into the
19 CDLIS/AAMVAnet Trust Fund (Commercial Driver's License
20 Information System/American Association of Motor Vehicle
21 Administrators network Trust Fund) and shall be used for the
22 purposes provided in Section 6z-23 of the State Finance Act and
23 (ii) \$20 of the total fee for an original or renewal CDL or
24 commercial driver instruction permit shall be paid into the
25 Motor Carrier Safety Inspection Fund, which is hereby created
26 as a special fund in the State Treasury, to be used by the

1 Department of State Police, subject to appropriation, to hire
2 additional officers to conduct motor carrier safety
3 inspections pursuant to Chapter 18b of this Code.

4 (g) All remaining moneys received by the Secretary of State
5 as registration fees or taxes or as payment of any other fee,
6 as provided in this Act, except fees received by the Secretary
7 under paragraph (7) (A) of subsection (b) of Section 5-101 and
8 Section 5-109 of this Code, shall be deposited in the Road Fund
9 in the State Treasury. Moneys in the Road Fund shall be used
10 for the purposes provided in Section 8.3 of the State Finance
11 Act.

12 (h) (Blank).

13 (i) (Blank).

14 (j) (Blank).

15 (k) There is created in the State Treasury a special fund
16 to be known as the Secretary of State Special License Plate
17 Fund. Money deposited into the Fund shall, subject to
18 appropriation, be used by the Office of the Secretary of State
19 (i) to help defray plate manufacturing and plate processing
20 costs for the issuance and, when applicable, renewal of any new
21 or existing registration plates authorized under this Code and
22 (ii) for grants made by the Secretary of State to benefit
23 Illinois Veterans Home libraries.

24 On or before October 1, 1995, the Secretary of State shall
25 direct the State Comptroller and State Treasurer to transfer
26 any unexpended balance in the Special Environmental License

1 Plate Fund, the Special Korean War Veteran License Plate Fund,
2 and the Retired Congressional License Plate Fund to the
3 Secretary of State Special License Plate Fund.

4 (l) The Motor Vehicle Review Board Fund is created as a
5 special fund in the State Treasury. Moneys deposited into the
6 Fund under paragraph (7) of subsection (b) of Section 5-101 and
7 Section 5-109 shall, subject to appropriation, be used by the
8 Office of the Secretary of State to administer the Motor
9 Vehicle Review Board, including without limitation payment of
10 compensation and all necessary expenses incurred in
11 administering the Motor Vehicle Review Board under the Motor
12 Vehicle Franchise Act.

13 (m) Effective July 1, 1996, there is created in the State
14 Treasury a special fund to be known as the Family
15 Responsibility Fund. Moneys deposited into the Fund shall,
16 subject to appropriation, be used by the Office of the
17 Secretary of State for the purpose of enforcing the Family
18 Financial Responsibility Law.

19 (n) The Illinois Fire Fighters' Memorial Fund is created as
20 a special fund in the State Treasury. Moneys deposited into the
21 Fund shall, subject to appropriation, be used by the Office of
22 the State Fire Marshal for construction of the Illinois Fire
23 Fighters' Memorial to be located at the State Capitol grounds
24 in Springfield, Illinois. Upon the completion of the Memorial,
25 moneys in the Fund shall be used in accordance with Section
26 3-634.

1 (o) Of the money collected for each certificate of title
2 for all-terrain vehicles and off-highway motorcycles, \$17
3 shall be deposited into the Off-Highway Vehicle Trails Fund.

4 (p) For audits conducted on or after July 1, 2003 pursuant
5 to Section 2-124(d) of this Code, 50% of the money collected as
6 audit fees shall be deposited into the General Revenue Fund.

7 (Source: P.A. 96-554, eff. 1-1-10.)

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 and mail address of the
14 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 Code,
19 the square footage of the house trailer based upon the
20 outside dimensions of the house trailer excluding the
21 length of the tongue and hitch, and, as to vehicles of the
22 second division, whether for-hire, not-for-hire, or both
23 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 any
2 lienholders in the order of their priority and signatures
3 of owners;

4 4. The current odometer reading at the time of transfer
5 and that the stated odometer reading is one of the
6 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 a
18 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 of
2 State reasonably requires to establish the ownership of the
3 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 other
7 documents as required and acceptable by the Secretary of State,
8 with such assignments as may be necessary to show title in the
9 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, and
16 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 and
9 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 display
12 certificate of title be returned to him.

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

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

26 (i) If the application refers to a vehicle for which a

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

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

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

1 requests received on a given day exceeds the ability of the
2 Vehicle Services Department to process those requests in an
3 expedited manner, the Vehicle Services Department may decline
4 to provide expedited services, and the additional fee for the
5 expedited service shall be refunded to the applicant.

6 (1) If the application refers to a homemade trailer, (i) it
7 must be accompanied by the appropriate documentation regarding
8 the source of materials used in the construction of the
9 trailer, as required by the Secretary of State, (ii) the
10 trailer must be inspected by a Secretary of State employee
11 ~~investigator, as described in Section 2-115 of this Code,~~ prior
12 to the issuance of the title, and (iii) upon approval of the
13 Secretary of State, the trailer must have a vehicle
14 identification number, as provided by the Secretary of State,
15 stamped or riveted to the frame.

16 (Source: P.A. 95-784, eff. 1-1-09; 96-519, eff. 1-1-10; 96-554,
17 eff. 1-1-10; 96-1000, eff. 7-2-10.)

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 owner
22 or the lienholder. The dealer may hold the certificate until he
23 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 warranty

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

19 (d) Beginning January 1, 2013, the Secretary is authorized
20 to impose a delinquent vehicle dealer transfer fee of \$20 if
21 the certificate of title is received by the Secretary 30 days
22 after the date of sale. If the certificate of title is received
23 by the Secretary from the dealer 60 days after the date of
24 sale, the delinquent vehicle dealer transfer fee shall be \$35.
25 If the certificate of title is received by the Secretary from
26 the dealer 90 days after the date of sale, the delinquent

1 vehicle dealer transfer free shall be \$65. If the certificate
 2 of title is received by the Secretary from the dealer 120 days
 3 or more after the date of the sale, the delinquent vehicle
 4 dealer transfer fee shall be \$100.

5 (Source: P.A. 94-239, eff. 1-1-06; 95-284, eff. 1-1-08.)

6 (625 ILCS 5/3-821) (from Ch. 95 1/2, par. 3-821)

7 Sec. 3-821. Miscellaneous Registration and Title Fees.

8 (a) The fee to be paid to the Secretary of State for the
 9 following certificates, registrations or evidences of proper
 10 registration, or for corrected or duplicate documents shall be
 11 in accordance with the following schedule:

12	Certificate of Title, except for an all-terrain	
13	vehicle or off-highway motorcycle	\$95
14	Certificate of Title for an all-terrain vehicle	
15	or off-highway motorcycle	\$30
16	Certificate of Title for an all-terrain vehicle	
17	or off-highway motorcycle used for production	
18	agriculture, or accepted by a dealer in trade	13
19	Certificate of Title for a low-speed vehicle	30
20	Transfer of Registration or any evidence of	
21	proper registration	\$25
22	Duplicate Registration Card for plates or other	
23	evidence of proper registration	3
24	Duplicate Registration Sticker or Stickers, each	20
25	Duplicate Certificate of Title	95

1	Corrected Registration Card or Card for other	
2	evidence of proper registration	3
3	Corrected Certificate of Title	95
4	Salvage Certificate	4
5	Fleet Reciprocity Permit	15
6	Prorate Decal	1
7	Prorate Backing Plate	3
8	Special Corrected Certificate of Title	15
9	Expedited Title Service (to be charged in addition	
10	to other applicable fees)	30
11	<u>Dealer Lien Release Certificate of Title</u>	<u>20</u>

12 A special corrected certificate of title shall be issued
 13 (i) to remove a co-owner's name due to the death of the
 14 co-owner or due to a divorce or (ii) to change a co-owner's
 15 name due to a marriage.

16 There shall be no fee paid for a Junking Certificate.

17 There shall be no fee paid for a certificate of title
 18 issued to a county when the vehicle is forfeited to the county
 19 under Article 36 of the Criminal Code of 1961.

20 (a-5) The Secretary of State may revoke a certificate of
 21 title and registration card and issue a corrected certificate
 22 of title and registration card, at no fee to the vehicle owner
 23 or lienholder, if there is proof that the vehicle
 24 identification number is erroneously shown on the original
 25 certificate of title.

26 (a-10) The Secretary of State may issue, in connection with

1 the sale of a motor vehicle, a corrected title to a motor
2 vehicle dealer upon application and submittal of a lien release
3 letter from the lienholder listed in the files of the
4 Secretary. In the case of a title issued by another state, the
5 dealer must submit proof from the state that issued the last
6 title. The corrected title, which shall be known as a dealer
7 lien release certificate of title, shall be issued in the name
8 of the vehicle owner without the named lienholder. If the motor
9 vehicle is currently titled in a state other than Illinois, the
10 applicant must submit either (i) a letter from the current
11 lienholder releasing the lien and stating that the lienholder
12 has possession of the title; or (ii) a letter from the current
13 lienholder releasing the lien and a copy of the records of the
14 department of motor vehicles for the state in which the vehicle
15 is titled, showing that the vehicle is titled in the name of
16 the applicant and that no liens are recorded other than the
17 lien for which a release has been submitted. The fee for the
18 dealer lien release certificate of title is \$20.

19 (b) The Secretary may prescribe the maximum service charge
20 to be imposed upon an applicant for renewal of a registration
21 by any person authorized by law to receive and remit or
22 transmit to the Secretary such renewal application and fees
23 therewith.

24 (c) If a check is delivered to the Office of the Secretary
25 of State as payment of any fee or tax under this Code, and such
26 check is not honored by the bank on which it is drawn for any

1 reason, the registrant or other person tendering the check
2 remains liable for the payment of such fee or tax. The
3 Secretary of State may assess a service charge of \$19 in
4 addition to the fee or tax due and owing for all dishonored
5 checks.

6 If the total amount then due and owing exceeds the sum of
7 \$50 and has not been paid in full within 60 days from the date
8 such fee or tax became due to the Secretary of State, the
9 Secretary of State shall assess a penalty of 25% of such amount
10 remaining unpaid.

11 All amounts payable under this Section shall be computed to
12 the nearest dollar.

13 (d) The minimum fee and tax to be paid by any applicant for
14 apportionment of a fleet of vehicles under this Code shall be
15 \$15 if the application was filed on or before the date
16 specified by the Secretary together with fees and taxes due. If
17 an application and the fees or taxes due are filed after the
18 date specified by the Secretary, the Secretary may prescribe
19 the payment of interest at the rate of 1/2 of 1% per month or
20 fraction thereof after such due date and a minimum of \$8.

21 (e) Trucks, truck tractors, truck tractors with loads, and
22 motor buses, any one of which having a combined total weight in
23 excess of 12,000 lbs. shall file an application for a Fleet
24 Reciprocity Permit issued by the Secretary of State. This
25 permit shall be in the possession of any driver operating a
26 vehicle on Illinois highways. Any foreign licensed vehicle of

1 the second division operating at any time in Illinois without a
2 Fleet Reciprocity Permit or other proper Illinois
3 registration, shall subject the operator to the penalties
4 provided in Section 3-834 of this Code. For the purposes of
5 this Code, "Fleet Reciprocity Permit" means any second division
6 motor vehicle with a foreign license and used only in
7 interstate transportation of goods. The fee for such permit
8 shall be \$15 per fleet which shall include all vehicles of the
9 fleet being registered.

10 (f) For purposes of this Section, "all-terrain vehicle or
11 off-highway motorcycle used for production agriculture" means
12 any all-terrain vehicle or off-highway motorcycle used in the
13 raising of or the propagation of livestock, crops for sale for
14 human consumption, crops for livestock consumption, and
15 production seed stock grown for the propagation of feed grains
16 and the husbandry of animals or for the purpose of providing a
17 food product, including the husbandry of blood stock as a main
18 source of providing a food product. "All-terrain vehicle or
19 off-highway motorcycle used in production agriculture" also
20 means any all-terrain vehicle or off-highway motorcycle used in
21 animal husbandry, floriculture, aquaculture, horticulture, and
22 viticulture.

23 (g) All of the proceeds of the additional fees imposed by
24 Public Act 96-34 shall be deposited into the Capital Projects
25 Fund.

26 (Source: P.A. 95-287, eff. 1-1-08; 96-34, eff. 7-13-09; 96-554,

1 eff. 1-1-10; 96-653, eff. 1-1-10; 96-1000, eff. 7-2-10;
2 96-1274, eff. 7-26-10.)

3 (625 ILCS 5/5-501) (from Ch. 95 1/2, par. 5-501)

4 Sec. 5-501. Denial, suspension or revocation or
5 cancellation of a license.

6 (a) The license of a person issued under this Chapter may
7 be denied, revoked or suspended if the Secretary of State finds
8 that the applicant, or the officer, director, shareholder
9 having a ten percent or greater ownership interest in the
10 corporation, owner, partner, trustee, manager, employee or the
11 licensee has:

12 1. Violated this Act;

13 2. Made any material misrepresentation to the
14 Secretary of State in connection with an application for a
15 license, junking certificate, salvage certificate, title
16 or registration;

17 3. Committed a fraudulent act in connection with
18 selling, bartering, exchanging, offering for sale or
19 otherwise dealing in vehicles, chassis, essential parts,
20 or vehicle shells;

21 4. As a new vehicle dealer has no contract with a
22 manufacturer or enfranchised distributor to sell that new
23 vehicle in this State;

24 5. Not maintained an established place of business as
25 defined in this Code;

1 6. Failed to file or produce for the Secretary of State
2 any application, report, document or other pertinent
3 books, records, documents, letters, contracts, required to
4 be filed or produced under this Code or any rule or
5 regulation made by the Secretary of State pursuant to this
6 Code;

7 7. Previously had, within 3 years, such a license
8 denied, suspended, revoked, or cancelled under the
9 provisions of subsection (c) (2) of this Section;

10 8. Has committed in any calendar year 3 or more
11 violations, as determined in any civil or criminal
12 proceeding, of any one or more of the following Acts:

13 a. the "Consumer Finance Act";

14 b. the "Consumer Installment Loan Act";

15 c. the "Retail Installment Sales Act";

16 d. the "Motor Vehicle Retail Installment Sales
17 Act";

18 e. "An Act in relation to the rate of interest and
19 other charges in connection with sales on credit and
20 the lending of money", approved May 24, 1879, as
21 amended;

22 f. "An Act to promote the welfare of wage-earners
23 by regulating the assignment of wages, and prescribing
24 a penalty for the violation thereof", approved July 1,
25 1935, as amended;

26 g. Part 8 of Article XII of the Code of Civil

1 Procedure; or

2 h. the "Consumer Fraud Act";

3 9. Failed to pay any fees or taxes due under this Act,
4 or has failed to transmit any fees or taxes received by him
5 for transmittal by him to the Secretary of State or the
6 State of Illinois;

7 10. Converted an abandoned vehicle;

8 11. Used a vehicle identification plate or number
9 assigned to a vehicle other than the one to which
10 originally assigned;

11 12. Violated the provisions of Chapter 5 of this Act,
12 as amended;

13 13. Violated the provisions of Chapter 4 of this Act,
14 as amended;

15 14. Violated the provisions of Chapter 3 of this Act,
16 as amended;

17 15. Violated Section 21-2 of the Criminal Code of 1961,
18 Criminal Trespass to Vehicles;

19 16. Made or concealed a material fact in connection
20 with his application for a license;

21 17. Acted in the capacity of a person licensed or acted
22 as a licensee under this Chapter without having a license
23 therefor;

24 18. Failed to pay, within 90 days after a final
25 judgment, any fines assessed against the licensee pursuant
26 to an action brought under Section 5-404;

1 19. Failed to pay the Dealer Recovery Trust Fund fee
2 under Section 5-102.7 of this Code; ~~+~~

3 20. Failed to pay, within 90 days after notice has been
4 given, any fine or fee owed as a result of an
5 administrative citation issued by the Secretary under this
6 Code.

7 (b) In addition to other grounds specified in this Chapter,
8 the Secretary of State, on complaint of the Department of
9 Revenue, shall refuse the issuance or renewal of a license, or
10 suspend or revoke such license, for any of the following
11 violations of the "Retailers' Occupation Tax Act":

- 12 1. Failure to make a tax return;
- 13 2. The filing of a fraudulent return;
- 14 3. Failure to pay all or part of any tax or penalty
15 finally determined to be due;
- 16 4. Failure to comply with the bonding requirements of
17 the "Retailers' Occupation Tax Act".

18 (b-1) In addition to other grounds specified in this
19 Chapter, the Secretary of State, on complaint of the Motor
20 Vehicle Review Board, shall refuse the issuance or renewal of a
21 license, or suspend or revoke that license, if costs or fees
22 assessed under Section 29 or Section 30 of the Motor Vehicle
23 Franchise Act have remained unpaid for a period in excess of 90
24 days after the licensee received from the Motor Vehicle Board a
25 second notice and demand for the costs or fees. The Motor
26 Vehicle Review Board must send the licensee written notice and

1 demand for payment of the fees or costs at least 2 times, and
2 the second notice and demand must be sent by certified mail.

3 (c) Cancellation of a license.

4 1. The license of a person issued under this Chapter
5 may be cancelled by the Secretary of State prior to its
6 expiration in any of the following situations:

7 A. When a license is voluntarily surrendered, by
8 the licensed person; or

9 B. If the business enterprise is a sole
10 proprietorship, which is not a franchised dealership,
11 when the sole proprietor dies or is imprisoned for any
12 period of time exceeding 30 days; or

13 C. If the license was issued to the wrong person or
14 corporation, or contains an error on its face. If any
15 person above whose license has been cancelled wishes to
16 apply for another license, whether during the same
17 license year or any other year, that person shall be
18 treated as any other new applicant and the cancellation
19 of the person's prior license shall not, in and of
20 itself, be a bar to the issuance of a new license.

21 2. The license of a person issued under this Chapter
22 may be cancelled without a hearing when the Secretary of
23 State is notified that the applicant, or any officer,
24 director, shareholder having a 10 per cent or greater
25 ownership interest in the corporation, owner, partner,
26 trustee, manager, employee or member of the applicant or

1 the licensee has been convicted of any felony involving the
2 selling, bartering, exchanging, offering for sale, or
3 otherwise dealing in vehicles, chassis, essential parts,
4 vehicle shells, or ownership documents relating to any of
5 the above items.

6 (Source: P.A. 97-480, eff. 10-1-11.)

7 (625 ILCS 5/5-503) (from Ch. 95 1/2, par. 5-503)

8 Sec. 5-503. Failure to obtain dealer's license, operation
9 of a business with a suspended or revoked license. (a) Any
10 person operating a business for which he is required to be
11 licensed under Section 5-101, 5-102, 5-201 or 5-301 who fails
12 to apply for such a license or licenses within 15 days after
13 being informed in writing by the Secretary of State that he
14 must obtain such a license or licenses is subject to a civil
15 action brought by the Secretary of State for operating a
16 business without a license in the circuit court in the county
17 in which the business is located. If the person is found to be
18 in violation of Section 5-101, 5-102, 5-201 or 5-301 by
19 carrying on a business without being properly licensed, that
20 person shall be fined \$500 ~~\$300~~ for each business day he
21 conducted his business without such a license after the
22 expiration of the 15 day period specified in this subsection
23 (a).

24 (b) Any person who, having had his license or licenses
25 issued under Section 5-101, 5-102, 5-201 or 5-301 suspended,

1 revoked, cancelled or denied by the Secretary of State under
2 Section 5-501, continues to operate business after the
3 effective date of such revocation, suspension, cancellation or
4 denial may be sued in a civil action by the Secretary of State
5 in the county in which the established or additional place of
6 such business is located. If such person is found by the court
7 to have operated such a business after the license or licenses
8 required for conducting such business have been suspended,
9 revoked, cancelled or denied, that person shall be fined \$1,000
10 ~~\$500~~ for each day he conducted business thereafter.

11 (Source: P.A. 86-444.)

12 (625 ILCS 5/5-801) (from Ch. 95 1/2, par. 5-801)

13 Sec. 5-801. Criminal penalties ~~Penalties~~. Any person who
14 violates any of the provisions of this Chapter, except a person
15 who violates a provision for which a different criminal penalty
16 is indicated, shall be guilty of a Class A misdemeanor. Any
17 person who violates any provisions of Section 5-701 shall be
18 guilty of a Class 3 felony.

19 (Source: P.A. 95-51, eff. 1-1-08.)

20 (625 ILCS 5/5-803 new)

21 Sec. 5-803. Administrative penalties. Instead of filing a
22 criminal complaint against a new or used vehicle dealer, or
23 against any other entity licensed by the Secretary under this
24 Code, a Secretary of State Police investigator may issue

1 administrative citations for violations of any of the
2 provisions of this Chapter or any administrative rule adopted
3 by the Secretary under this Chapter. A party receiving a
4 citation shall have the right to contest the citation in
5 proceedings before the Secretary of State Department of
6 Administrative Hearings. Penalties imposed by issuance of an
7 administrative citation shall not exceed \$50 per violation. A
8 penalty may not be imposed unless, during the course of a
9 single investigation or upon review of the party's records, the
10 party is found to have committed at least 3 separate violations
11 of one or more of the provisions of this Code or any
12 administrative rule adopted by the Secretary under this Code.
13 Penalties paid as a result of the issuance of administrative
14 citations shall be deposited in the Secretary of State Police
15 Services Fund.

16 Section 99. Effective date. This Act takes effect upon
17 becoming law.

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625 ILCS 5/2-119

from Ch. 95 1/2, par. 2-119

4

625 ILCS 5/3-104

from Ch. 95 1/2, par. 3-104

5

625 ILCS 5/3-113

from Ch. 95 1/2, par. 3-113

6

625 ILCS 5/3-821

from Ch. 95 1/2, par. 3-821

7

625 ILCS 5/5-501

from Ch. 95 1/2, par. 5-501

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625 ILCS 5/5-503

from Ch. 95 1/2, par. 5-503

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625 ILCS 5/5-801

from Ch. 95 1/2, par. 5-801

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625 ILCS 5/5-803 new