



Rep. Kathleen Willis

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1 AMENDMENT TO HOUSE BILL 1016

2 AMENDMENT NO. _____. Amend House Bill 1016 by replacing
3 everything after the enacting clause with the following:

4 "Section 1. Short title. This Act may be cited as the Gun
5 Dealer Licensing Act.

6 Section 5. Definitions. As used in this Act:

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

15 "Applicant" means any person who applies for a dealer
16 license or a dealership agent card, or the renewal of the

1 dealer license or a dealership agent card under this Act.

2 "Board" means the Gun Dealer Licensing Board.

3 "Confidential or security information" means information
4 which identifies the purchasers or other transferees of
5 firearms from a dealer or dealership.

6 "Dealer" means any person engaged in the business of
7 selling, leasing, or otherwise transferring firearms.

8 "Dealership" means a person, firm, corporation, or other
9 legal entity that engages in the business of selling, leasing,
10 or otherwise transferring firearms and employs, in addition to
11 the gun dealer licensee-in-charge, at least one other
12 dealership agent.

13 "Dealership agent" means an owner, officer, paid or unpaid
14 agent, volunteer or employee of a licensed dealership who has
15 access to or control of firearms in the inventory of the
16 dealership or confidential or security information of the
17 dealership.

18 "Dealership licensee-in-charge" or "licensee-in-charge"
19 means a dealer who has been designated by a dealership to be
20 the licensee-in-charge of the dealership, who is a full-time
21 management employee or owner who assumes sole responsibility
22 for maintaining all records required by this Act, and who
23 assumes sole responsibility for assuring the dealership's
24 compliance with its responsibilities as stated in this Act. The
25 Department shall adopt rules mandating licensee-in-charge
26 participation in dealership affairs.

1 "Department" means the Department of Financial and
2 Professional Regulation.

3 "Engage in the business of selling, leasing, or otherwise
4 transferring firearms" means to:

5 (1) conduct a business selling, leasing, or
6 transferring firearms;

7 (2) hold himself or herself out as engaged in the
8 business of selling, leasing or otherwise transferring
9 firearms; or

10 (3) sell, lease, or transfer firearms in quantity, in
11 series, or in any other manner indicative of trade.

12 "Firearm" has the same meaning as "firearm" in Section 1.1
13 of the Firearm Owners Identification Card Act.

14 "Licensee" means a dealer or a dealership licensed under
15 this Act. Anyone who holds himself or herself out as a licensee
16 or who is accused of unlicensed business is considered a
17 licensee for purposes of enforcement, investigation, hearings,
18 and the Illinois Administrative Procedure Act.

19 "Person" means a natural person.

20 "Secretary" means the Secretary of Financial and
21 Professional Regulation.

22 Section 10. License requirement.

23 (a) It is unlawful for a person to engage in the business
24 of selling, leasing, or otherwise transferring firearms
25 without a license under this Act. A dealership agent other than

1 a dealer licensee-in-charge may act on behalf of the licensed
2 dealership under Section 75 without being licensed as a dealer
3 under this Act.

4 (b) It is unlawful for a person, firm, corporation, group
5 of individuals, or other legal entity to act as a dealership
6 licensed under this Act, to advertise, or to assume to act as a
7 licensed dealership or to use a title implying that the person,
8 firm, or other entity is engaged in business as a dealership
9 without a license under this Act. An individual or sole
10 proprietor licensed as a dealer who operates without any
11 dealership agents may act as a dealership without having to
12 obtain a dealership license, provided the dealer notifies the
13 Department that he or she is operating in this manner and
14 provides the information required under Section 65, as
15 determined to be applicable to the dealer by the Department.
16 The dealer may operate under a "doing business as" or assumed
17 name certification so long as the assumed name is first
18 registered with the Department.

19 (c) No dealership shall operate a branch office without
20 first applying for and receiving a branch office license for
21 each location. The term "branch office" does not include a
22 location at which the dealership conducts business
23 temporarily, such as at a gun show.

24 (d) It is unlawful to obtain or attempt to obtain any
25 license or authorization issued under this Act by fraudulent
26 misrepresentation.

1 (e) A person who violates any provision of this Section is
2 guilty of a Class A misdemeanor for a first violation, and a
3 Class 4 felony for a second or subsequent violation.

4 (f) In addition to any other penalty provided by law, any
5 person or entity who violates any provision of this Section
6 shall, pay a civil penalty to the Department in an amount not
7 to exceed \$10,000 for each offense as determined by the
8 Department. The civil penalty shall be assessed by the
9 Department after a hearing is held in accordance with the
10 provisions set forth in this Act regarding the provision of a
11 hearing for the discipline of a licensee.

12 (g) The Department has the authority and power to
13 investigate any and all unlicensed activity.

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

19 Section 15. Exemptions. The provisions of this Act related
20 to the licensure of dealers and dealerships do not apply to a
21 person or other entity that engages in the following
22 activities:

23 (1) transfers of less than 8 firearms within each calendar
24 year;

25 (2) temporary transfers of firearms solely for use at the

1 location or on the premises where the transfer takes place,
2 such as transfers at a shooting range for use at that location;

3 (3) temporary transfers of firearms solely for use while in
4 the presence of the transferor, such as transfers for the
5 purposes of firearm safety training by a training instructor;
6 or

7 (4) transfers of firearms among immediate family or
8 household members, as "immediate family or household member" is
9 defined in Section 3-2.7-10 of the Unified Code of Corrections.

10 Section 20. Powers and duties of the Department. Subject to
11 the provisions of this Act, the Department may exercise the
12 following powers and duties:

13 (1) Prescribe forms to be issued for the administration
14 and enforcement of this Act.

15 (2) Prescribe and publish rules for a method of
16 examination of candidates for gun dealer licenses and for
17 issuance of licenses authorizing candidates upon passing
18 examination to engage in the business of selling, leasing,
19 or otherwise transferring firearms.

20 (3) Review application to ascertain the qualifications
21 of applicants for licenses.

22 (4) Authorize examinations to ascertain the
23 qualifications and fitness of applicants for licensing as a
24 dealer and pass upon the qualifications of applicants for
25 licensure.

1 (5) Examine the records of licensees or investigate any
2 other aspect of the business of selling, leasing, or
3 otherwise transferring firearms.

4 (6) Conduct hearings on proceedings to refuse to issue
5 or renew licenses or to revoke, suspend, place on
6 probation, reprimand, or take any other disciplinary or
7 non-disciplinary action against licenses issued under this
8 Act.

9 (7) Formulate rules required for the administration of
10 this Act. Notice of proposed rulemaking shall be
11 transmitted to the Board, and the Department shall review
12 the Board's response and any recommendations made in the
13 response.

14 (8) Solicit the advice and expert knowledge of the
15 Board on any matter relating to the administration and
16 enforcement of this Act.

17 (9) Maintain rosters of the names and addresses of all
18 licensees and all persons whose licenses have been
19 suspended, revoked, denied renewal, or otherwise
20 disciplined within the previous calendar year. These
21 rosters shall be available upon written request and payment
22 of the required fee as established by rule.

23 (10) Exercise the powers and duties prescribed by the
24 Civil Administrative Code of Illinois for the
25 administration of licensing Acts.

1 Section 25. The Gun Dealer Licensing Board.

2 (a) The Gun Dealer Licensing Board shall consist of 5
3 members to be appointed by the Secretary. Each member shall
4 have a reasonable knowledge of the federal and State laws
5 regarding firearms. Each member shall either be a resident of
6 this State or shall certify that he or she will become a
7 resident of this State before taking office. The Board shall
8 consist of:

9 (1) one member with at least 5 years of service as a
10 county sheriff or chief of police of a municipal police
11 department within this State;

12 (2) one representative of the Department State Police
13 with at least 5 years investigative experience or duties
14 related to criminal justice;

15 (3) one member with at least 5 years of experience as a
16 federally licensed firearms dealer in good standing within
17 this State;

18 (4) one member who is a representative of an advocacy
19 group for public safety; and

20 (5) one member shall be a lawyer licensed to practice
21 law in this State. The membership shall reasonably reflect
22 the different geographic areas in this State.

23 (b) Members shall serve 4 year terms and may serve until
24 their successors are appointed and qualified. Partial terms of
25 over 2 years in length shall be considered full terms. No
26 member shall serve for more than 2 successive terms.

1 Appointments to fill vacancies shall be made in the same manner
2 as the original appointments for the unexpired portion of the
3 vacated term.

4 (c) The Secretary has the authority to remove any member of
5 the Board for cause at any time before the expiration of his or
6 her term. The Secretary shall be the sole arbiter of cause. A
7 member subject to formal disciplinary proceedings shall
8 disqualify himself or herself from all Board business until the
9 charge is resolved. A member also shall disqualify himself or
10 herself from any matter on which the member cannot act
11 objectively.

12 (d) The Board shall annually elect one of its members as
13 chairperson and one of its members as vice-chair.

14 (e) Members shall receive compensation as set by law. Each
15 member shall receive reimbursement as set by the Governor's
16 Travel Control Board for expenses incurred in carrying out the
17 duties as a Board member.

18 (f) A majority of Board members constitutes a quorum. A
19 majority vote of the quorum is required for a decision. A
20 vacancy in the membership of the Board shall not impair the
21 right of a quorum to exercise all of the rights and perform all
22 of the duties of the Board.

23 (g) The Board may recommend policies, procedures, and rules
24 relevant to the administration and enforcement of this Act.

25 Section 30. Application for license; forms.

1 (a) Each license application shall be on forms provided by
2 the Department.

3 (b) Every application for an original dealer license shall
4 include the applicant's social security number, which shall be
5 retained in the dealership's records pertaining to the license.
6 As soon as practical, the Department shall assign a customer's
7 identification number to each applicant for a license.

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

10 Section 35. Issuance of license; renewal; fees.

11 (a) The Department shall, upon the applicant's
12 satisfactory completion of the requirements set forth in this
13 Act and upon receipt of the fee, issue the license indicating
14 the name and business location of the licensee and the date of
15 expiration.

16 (b) The expiration date, renewal period, and conditions for
17 renewal and restoration of each license or dealership agent
18 card shall be set by rule. The holder may renew the license or
19 dealership agent card during the 30 days preceding its
20 expiration by paying the required fee and by meeting conditions
21 that the Department may specify. As a condition of renewal of a
22 dealership agent card, the dealership shall verify the
23 continued validity of a dealership agent's Firearm Owner's
24 Identification Card through the Department of State Police in a
25 manner prescribed by rule by the Department of State Police. As

1 a condition of renewal of a dealer's license, the Department
2 shall verify the validity of the applicant's Firearm Owner's
3 Identification Card through the Department of State Police in a
4 manner prescribed by rule by the Department of State Police. A
5 dealership or dealer operating on an expired license is
6 considered to be practicing without a license.

7 (c) A dealership that has permitted a license to expire may
8 have it restored by submitting an application to the
9 Department, successfully completing an inspection by the
10 Department, and by paying the required restoration fee and all
11 lapsed renewal fees.

12 (d) A dealer that has permitted a license to expire may
13 have it restored by submitting an application to the
14 Department, paying the required restoration fee and all lapsed
15 renewal fees and by providing evidence of competence to resume
16 practice satisfactory to the Department and the Board, which
17 shall include verification of the continued validity of the
18 license holder's Firearm Owner's Identification Card through
19 the Department of State Police in a manner prescribed by rule
20 by the Department of State Police, and may include passing a
21 written examination.

22 (e) A dealership agent that has permitted a dealership
23 agent card to expire may have it restored by submitting an
24 application to the Department, paying the lapsed renewal fees
25 and verification of the agent's Firearm Owner's Identification
26 Card by the dealership through the Department of State Police

1 in a manner prescribed by rule by the Department of State
2 Police.

3 (f) Any dealer or dealership agent whose license or
4 dealership agent card has expired while he or she has been
5 engaged (1) in the federal service in active duty with the Army
6 of the United States, the United States Navy, the Marine Corps,
7 the Air Force, the Coast Guard, or the State Militia called
8 into the service or training of the United States of America,
9 or (2) in training or education under the supervision of the
10 United States preliminary to induction into the military
11 service, may have his or her license restored without paying
12 any lapsed renewal fees or restoration fee, if within 2 years
13 after termination of that service, training or education, other
14 than by dishonorable discharge, he or she furnishes the
15 Department with an affidavit to the effect that he or she has
16 been so engaged and that his or her service, training or
17 education has been so terminated.

18 (g) Any person seeking renewal or restoration under this
19 Section shall be subject to the continuing education
20 requirements established under Section 45 of this Act.

21 (h) A license or dealership agent card shall not be denied
22 any applicant because of the race, religion, creed, national
23 origin, political beliefs or activities, age, sex, sexual
24 orientation, or physical disability that does not affect a
25 person's ability to practice with reasonable judgment, skill,
26 or safety.

1 Section 40. Continuing education. The Department may adopt
2 rules of continuing education for persons licensed under this
3 Act. The Department shall consider the recommendations of the
4 Board in establishing guidelines for the continuing education
5 requirements.

6 Section 45. Examination of applicants; forfeiture of fee.

7 (a) Applicants for licensure as a dealer shall be examined
8 as provided by this Section if they are qualified to be
9 examined under this Act. All applicants taking the examination
10 shall be evaluated using the same standards as others who are
11 examined for the respective license.

12 (b) Examinations for licensure shall be held at such time
13 and place as the Department may determine, but shall be held at
14 least twice a year.

15 (c) Examinations shall test the amount of knowledge and
16 skill needed to perform the duties set forth in this Act and
17 comply with other provisions of federal and State law
18 applicable to the sale and transfer of firearms. The Department
19 may contract with a testing service for the preparation and
20 conduct of the examination.

21 (d) If an applicant neglects, fails, or refuses to take an
22 examination within one year after filing an application, the
23 fee shall be forfeited. However, an applicant may, after the
24 one-year period, make a new application for examination,

1 accompanied by the required fee. If an applicant fails to pass
2 the examination within 3 years after filing an application, the
3 application shall be denied. An applicant may make a new
4 application after the 3-year period.

5 (e) This Section does not apply to an applicant who was
6 properly licensed as a firearms dealer under Section 923 of the
7 federal Gun Control Act of 1968 (18 U.S.C. 923) on February 10,
8 2016 in operation in this State.

9 Section 50. Qualifications for licensure as a dealer.

10 (a) A person is qualified for licensure as a dealer if he
11 or she meets all of the following requirements:

12 (1) is at least 21 years of age;

13 (2) has a currently valid Firearm Owner's
14 Identification Card. The Department shall verify the
15 validity of the applicant's Firearm Owner's Identification
16 Card through the Department of State Police in a manner
17 prescribed by rule by the Department of State Police. The
18 Department of State Police shall provide the Department
19 with an approval number if the Firearm Owner's
20 Identification Card is currently valid;

21 (3) has not had a license or permit to sell, lease,
22 transfer, purchase, or possess firearms from the federal
23 government or the government of any state or subdivision of
24 any state revoked or suspended for good cause within the
25 preceding 3 years, or been terminated from employment with

1 a licensee or former licensee for good cause within the
2 preceding 3 years;

3 (4) has a minimum of one year of experience, with a
4 minimum of 100 hours per year, during the 5 years
5 immediately preceding the application: (i) as a dealership
6 agent under this Act; or (ii) as a federal firearms dealer
7 licensed under Section 923 of the federal Gun Control Act
8 of 1968 (18 U.S.C. 923) or an employee of the business who
9 had access to firearms;

10 (5) has passed an examination authorized by the
11 Department; and

12 (6) has paid the fees required by this Act.

13 (b) The Department may request a personal interview of an
14 applicant before the Board to further evaluate his or her
15 qualifications for a license.

16 Section 55. Qualifications for licensure as a dealership.

17 (a) Upon receipt of the required fee and the information
18 listed in subsection (b) of this Section, the Department shall
19 issue a license as a dealership to any of the following:

20 (1) An individual who submits an application and is a
21 licensed dealer under this Act.

22 (2) A firm that submits an application and all of the
23 members of the firm are licensed dealers under this Act.

24 (3) A corporation or limited liability company doing
25 business in this State that is authorized by its articles

1 of incorporation or organization to engage in the business
2 of conducting a dealership if at least one executive
3 employee is licensed as a dealer under this Act.

4 (b) The Department shall require all of the following
5 information from each applicant for licensure as a dealership
6 under this Act:

7 (1) The name, full business address, and telephone
8 number of the dealership. The business address for the
9 dealership shall be the complete street address where
10 firearms in the inventory of the dealership are regularly
11 stored, shall be located within the State, and may not be a
12 P.O. Box. The applicant shall submit proof that the
13 business location is or will be used to conduct the
14 dealership's business.

15 (2) All trade or business names used by the licensee.

16 (3) The type of ownership or operation, such as a
17 partnership, corporation, or sole proprietorship.

18 (4) The name of the owner or operator of the
19 dealership, including:

20 (A) if a person, then the name and address of
21 record of the person;

22 (B) if a partnership, then the name and address of
23 record of each partner and the name of the partnership;

24 (C) if a corporation, then the name, address of
25 record, and title of each corporate officer and
26 director, the corporate names, and the name of the

1 state of incorporation; and

2 (D) if a sole proprietorship, then the full name
3 and address of record of the sole proprietor and the
4 name of the business entity.

5 (5) The name and license number of the
6 licensee-in-charge for the dealership.

7 (6) Proof that the applicant has applied for or
8 received a certificate of registration under the
9 Retailers' Occupation Tax Act.

10 (7) Written confirmation from the sheriff of the county
11 in which the business address is located, stating that, to
12 the best of the sheriff's knowledge, the applicant is in
13 compliance with applicable federal, State, and local laws.
14 A municipality or county may impose additional
15 requirements for the operation of gun dealers and
16 dealerships beyond the requirements of this Act and
17 consistent with the United States Constitution and the
18 Constitution of the State of Illinois, including local
19 license requirements. It shall be the duty of local
20 authorities to investigate and enforce any failure of a
21 dealer or dealership to meet these requirements and to
22 notify the Department of these investigations and
23 enforcement actions. This paragraph (7) supersedes Section
24 13.1 of the Firearm Owners Identification Card Act and
25 Section 90 of the Firearm Concealed Carry Act as applied to
26 the local regulation of dealers and dealerships.

1 (8) Proof that the dealership is properly licensed as a
2 firearms dealer under federal law.

3 (9) A final inspection report demonstrating that the
4 Department has determined upon inspection that the
5 proposed business premises comply with Section 70.

6 (c) No dealer may be the licensee-in-charge for more than
7 one dealership. Upon written request by a representative of a
8 dealership, within 10 days after the loss of a
9 licensee-in-charge of a dealership because of the death of that
10 individual or because of the termination of the employment of
11 that individual, the Department shall issue a temporary
12 certificate of authority allowing the continuing operation of
13 the licensed dealership. No temporary certificate of authority
14 shall be valid for more than 90 days. An extension of an
15 additional 90 days may be granted upon written request by the
16 representative of the dealership. Not more than 2 extensions
17 may be granted to any dealership. No temporary permit shall be
18 issued for loss of the licensee-in-charge because of
19 disciplinary action by the Department related to his or her
20 conduct on behalf of the dealership.

21 (d) The Department may request a personal interview of a
22 gun dealership licensee-in-charge to evaluate the dealership's
23 qualifications for a license.

24 Section 60. Training of dealership agents. The Department
25 shall adopt rules requiring dealership agents to undergo

1 training regarding legal requirements and responsible business
2 practices as applicable to the sale or transfer of firearms.
3 Before a dealership agent has unsupervised access to or control
4 over firearms in the dealership's inventory or confidential or
5 security information, the dealership shall ensure that the
6 dealership agent receives the training that the Department may
7 require.

8 Section 65. Display of license. Each licensee shall
9 prominently display his or her individual, agency, or branch
10 office license at each place where business is being conducted,
11 as required under this Act. A licensee-in-charge is required to
12 post his or her license only at the dealership office.

13 Section 70. Requirements; prohibitions.

14 (a) The Department of Financial and Professional
15 Regulation shall implement the provisions of this Section by
16 rule.

17 (b) A licensee shall maintain operating documents which
18 shall include procedures for the oversight of the licensee and
19 procedures to ensure accurate recordkeeping.

20 (c) By January 1, 2018, a licensee shall implement
21 appropriate security measures, as provided by rule, to deter
22 and prevent the theft of firearms and unauthorized entrance
23 into areas containing firearms. The rules may provide for:

24 (1) the manner of securing firearms when the location

1 is both open and closed for business;

2 (2) alarm systems for licensees; and

3 (3) other reasonable requirements to deter illegal
4 sales and reduce the risk of burglaries and other crimes or
5 accidents at licensees' business establishments.

6 (d) The licensed business location shall be equipped with a
7 video surveillance system sufficient to monitor the critical
8 areas of the business premises, including, but not limited to,
9 all places where firearms are stored, handled, sold,
10 transferred, or carried. The video surveillance system shall
11 operate without interruption, whenever the licensee is open for
12 business. Whenever the licensee is not open for business, the
13 system shall be triggered by a motion detector and begin
14 recording immediately upon detection of any motion within the
15 monitored area. In addition, every sale or transfer of a
16 firearm, including sales and transfers that take place at
17 locations other than the business premises, shall be recorded
18 by the video surveillance system in a way that the facial
19 features of the purchaser or transferee are clearly visible.
20 The stored images shall be maintained on the business premises
21 of the licensee for a period of not less than one year from the
22 date of recordation and shall only be available for inspection
23 on the premises by the licensee, the licensee's dealership
24 agents, the Department and federal, State, and local law
25 enforcement upon request, and neither the stored images nor
26 copies, records, or reproductions of the stored images shall

1 leave the custody of the licensee except under a court order,
2 subpoena, or search warrant. The licensee shall post a sign in
3 a conspicuous place at each entrance to the premises that
4 states in block letters not less than one inch in height:

5 THESE PREMISES ARE UNDER VIDEO SURVEILLANCE. YOUR
6 IMAGE MAY BE RECORDED.

7 (e) The area where the licensee stores firearms that are
8 inventory of the licensee shall only be accessed by dealership
9 agents, Department of Financial and Professional Regulation
10 staff performing inspections, law enforcement or other
11 emergency personnel, and contractors working on jobs unrelated
12 to firearms, such as installing or maintaining security devices
13 or performing electrical wiring.

14 (f) A licensee shall operate its business and conduct all
15 sales and transfers of firearms or in compliance with all
16 federal and State laws, and maintain all records as required by
17 federal and State laws.

18 (g) A licensee shall not allow any person to handle
19 firearms while intoxicated.

20 (h) A licensee shall post in a conspicuous position on the
21 premises where the licensee conducts business a sign that
22 contains the following warning in block letters not less than
23 one inch in height:

24 "With few exceptions, it is unlawful for you to:

25 (1) store or leave an unsecured firearm in a place
26 where a child can obtain access to it,

1 (2) sell or transfer your firearm to someone else
2 without receiving approval for the transfer from the
3 Department of State Police, or

4 (3) fail to report the loss or theft of your
5 firearm to local law enforcement within 72 hours."

6 A licensee shall post any additional warnings or provide
7 any other information regarding firearms laws and the safe
8 storage of firearms to consumers as required by the Department
9 by rule.

10 (i) Before issuance, renewal, or restoration of a
11 dealership license, the Department shall inspect the premises
12 of the proposed business to ensure compliance with this Act.
13 Licensees shall have their places of business open for
14 inspection by the Department and law enforcement during all
15 hours of operation. Licensees shall make all records,
16 documents, and firearms accessible for inspection upon the
17 request of law enforcement and the Department.

18 (j) The premises where the licensee conducts business shall
19 not be located in any district or area that is within 1,000
20 feet of any school, pre-school, or day-care facility, except
21 that the premises where a licensee conducts business may be
22 located in an area that is between 500 and 1,000 feet of a
23 school, pre-school, or day-care facility located in a
24 municipality with more than 1,000,000 inhabitants. This
25 subsection (j) does not apply to a licensee whose business
26 existed in that location on the effective date of this Act, and

1 does not limit the authority of a local government to impose
2 and enforce additional limits on the location of a business
3 regulated under this Act.

4 Section 75. Dealership agent requirements. All dealership
5 agents shall apply for a dealership agent card. The holder of a
6 dealership license issued under this Act, known in this Section
7 as "employer", may employ in the conduct of his or her business
8 dealership agents under the following provisions:

9 (a) No person shall be issued a dealership agent card who:

10 (1) is younger than 21 years of age;

11 (2) does not have a valid Firearm Owner's
12 Identification Card; or

13 (3) has had a license or dealership agent card denied,
14 suspended, or revoked under this Act: (i) within one year
15 before the date the person's application for a dealership
16 agent card is received by the Department; and (ii) that
17 refusal, denial, suspension, or revocation was based on any
18 provision of this Act.

19 (b) No person may act as a dealership agent under this
20 Section until he or she has executed and furnished to the
21 employer, on forms furnished by the Department, a verified
22 statement to be known as "Dealership Agent's Statement" setting
23 forth:

24 (1) The person's full name, age, and residence address.

25 (2) That the person has not had a license or dealership

1 agent card denied, revoked, or suspended under this Act:

2 (i) within one year before the date the person's
3 application for dealership agent card is received by the
4 Department; and (ii) that refusal, denial, suspension, or
5 revocation was based on any provision of this Act.

6 (3) That the person will notify the dealership and the
7 Department immediately if his or her Firearm Owner's
8 Identification Card is revoked for any reason.

9 (4) That the person will not divert firearms in
10 violation of the law.

11 (c) Each applicant for a dealership agent card shall have
12 the validity of his or her Firearm Owner's Identification Card
13 confirmed by the employer through the Department of State
14 Police in a manner prescribed by rule by the Department of
15 State Police. The Department of State Police shall provide the
16 employer with an approval number if the Firearm Owner's
17 Identification Card is currently valid.

18 (d) The Department shall issue a dealership agent card, in
19 a form the Department prescribes, to all qualified applicants.
20 The holder of a dealership agent card shall carry the card at
21 all times while actually engaged in the performance of the
22 duties of his or her employment. Expiration and requirements
23 for renewal of dealership agent cards shall be established by
24 rule of the Department.

25 (e) Each employer shall maintain a record of each
26 dealership agent that is accessible to the Department. The

1 record shall contain the following information:

2 (1) The Dealership Agent's Statement specified in
3 subsection (b) of this Section.

4 (2) A copy of the dealership agent's Firearm Owner's
5 Identification Card.

6 (3) A copy of the dealership agent's dealership agent
7 card.

8 The Department may, by rule, prescribe further record
9 requirements.

10 (f) Every employer shall maintain a separate roster of the
11 names of all dealership agents and submit the roster to the
12 Department on request.

13 (g) No dealership may employ any person to perform a
14 licensed activity under this Act unless the person possesses a
15 valid dealership agent card or a valid license under this Act,
16 or is exempt under subsection (j) of this Section.

17 (h) Notwithstanding the provisions of subsection (g) of
18 this Section, a dealership may employ a person in a temporary
19 capacity if all of the following conditions are met:

20 (1) The dealership completes in its entirety and
21 submits to the Department an application for a dealership
22 agent card, including the required approval number from the
23 Department of State Police.

24 (2) The dealership exercises due diligence to ensure
25 that the person is qualified under the requirements of the
26 Act to be issued a dealership agent card.

1 (3) The dealership maintains a separate roster of the
2 names of all dealership agents whose applications are
3 currently pending with the Department and submits the
4 roster to the Department upon request. Rosters are to be
5 maintained by the dealership for a period of at least 24
6 months.

7 (4) A dealership may allow a dealership agent applicant
8 access to firearms if it either submitted a dealership
9 agent application and all required forms and fees for that
10 dealership agent applicant or it confirms with the
11 Department that a dealership agent application and all
12 required forms and fees have been submitted by another
13 dealership, licensee or the dealership agent and all other
14 requirements of this Section are met.

15 (5) A dealership may not employ a person as a
16 dealership agent in a temporary capacity if it knows or
17 reasonably should have known that the person does not have
18 a valid Firearm Owner's Identification Card. The
19 Department may adopt rules to implement this subsection
20 (h).

21 (i) If information is discovered affecting the validity of
22 the Firearm Owner's Identification Card or dealership agent
23 card of a dealership agent or applicant for a dealership agent
24 card, the Department shall so notify the dealership that
25 submitted the application on behalf of that person.

26 (j) Peace officers shall be exempt from the requirements of

1 this Section relating to dealership agent cards. The dealership
2 shall remain responsible for any peace officer employed under
3 this exemption, regardless of whether the peace officer is
4 compensated as an employee or as an independent contractor and
5 as further defined by rule.

6 (k) Persons who have no unsupervised access to firearms in
7 the inventory of a dealership or confidential or security
8 information are exempt from the requirements of a dealership
9 agent.

10 Section 80. Employment requirement.

11 (a) The holder of a dealership agent card is prohibited
12 from performing the activities of dealer or dealership without
13 being employed by a dealership licensed under this Act.

14 (b) A dealership licensed under this Act is prohibited from
15 evading or attempting to evade the requirements for dealership
16 agent cards under this Act by engaging a contractor or
17 independent contractor to perform the activities of a dealer or
18 dealership agent, unless that person is licensed under this
19 Act.

20 Section 85. Disciplinary sanctions.

21 (a) The Department may deny issuance, refuse to renew, or
22 restore or may reprimand, place on probation, suspend, revoke,
23 or take other disciplinary or non-disciplinary action against
24 any license or dealership agent card, may impose a fine not to

1 exceed \$10,000 for each violation, and may assess costs as
2 provided for under Section 135, for any of the following,
3 consistent with the Protection of Lawful Commerce in Arms Act,
4 15 U.S.C. 7901 through 7903 or amendments thereto:

5 (1) Material misstatement in furnishing information to
6 the Department or to any other State or federal agency.

7 (2) Violations of this Act, any of the rules adopted
8 under this Act, or any law applicable to the sale or
9 transfer of firearms.

10 (3) Making any misrepresentation for the purpose of
11 obtaining licenses or cards.

12 (4) A pattern of practice or other behavior which
13 demonstrates incapacity or incompetency to practice under
14 this Act.

15 (5) Aiding or assisting another person in violating any
16 provision of this Act or rules adopted under this Act.

17 (6) Failing, within 60 days, to provide information in
18 response to a written request made by the Department.

19 (7) Conviction of or plea of guilty or plea of nolo
20 contendere to any crime that disqualifies the person from
21 obtaining a valid Firearm Owner's Identification Card.

22 (8) Continued practice, although the person has become
23 unfit to practice due to any of the following:

24 (A) Physical illness, mental illness, or other
25 impairment, including, but not limited to,
26 deterioration through the aging process or loss of

1 motor skills that results in the inability to serve the
2 public with reasonable judgment, skill, or safety.

3 (B) Any circumstance that disqualifies the person
4 from obtaining a valid Firearm Owner's Identification
5 Card.

6 (C) Habitual or excessive use or abuse of drugs
7 defined in law as controlled substances, alcohol, or
8 any other substance that results in the inability to
9 practice with reasonable judgment, skill, or safety.

10 (9) Receiving, directly or indirectly, compensation
11 for any firearms sold or transferred illegally.

12 (10) Discipline by another United States jurisdiction,
13 foreign nation, or governmental agency, if at least one of
14 the grounds for the discipline is the same or substantially
15 equivalent to those set forth in this Act.

16 (11) Giving differential treatment to a person that is
17 to that person's detriment because of race, color, creed,
18 sex, sexual orientation, religion, or national origin.

19 (12) Violation of any disciplinary order imposed on a
20 licensee by the Department.

21 (13) Conducting a dealership without a valid license.

22 (14) Revealing confidential or security information,
23 except as specifically authorized by law, including but not
24 limited to information about purchasers and transferees of
25 firearms, provided that a licensee or dealership agent may
26 disclose this information under a court order, subpoena, or

1 search warrant or to the Department or federal, State, or
2 local law enforcement agencies upon request.

3 (15) Purporting to be a licensee-in-charge of an agency
4 without active participation in the agency.

5 (16) A finding by the Department that the licensee,
6 after having his or her license placed on probationary
7 status, has violated the terms of probation.

8 (17) Failure to report in writing to the Department,
9 within 60 days of an entry of a settlement or a verdict in
10 excess of \$10,000, any legal action in which the business
11 of the dealer, dealership, or dealership agent was the
12 subject of the legal action.

13 (b) All fines imposed under this Section shall be paid
14 within 60 days after the effective date of the order imposing
15 the fine.

16 Section 90. Suspension or revocation of dealership agent
17 card.

18 (a) Dealership agents issued dealership agent cards under
19 the provisions of Section 75 of this Act shall be subject to
20 the disciplinary sanctions of this Act and shall otherwise
21 comply with this Act and the rules adopted under it.
22 Notwithstanding any other provision in this Act to the
23 contrary, dealership agents shall not be responsible for
24 compliance with any requirement that this Act assigns to the
25 dealership or the licensee-in-charge regardless of the agent's

1 job title, job duties, or position in the dealership. The
2 procedures for disciplining a licensee shall also apply in
3 taking action against a dealership agent.

4 (b) The revocation of a dealer's or dealership agent's
5 Firearm Owner's Identification Card operates as an automatic
6 suspension of the dealer license or dealership agent card. The
7 suspension will end only upon the issuance by the Department of
8 State Police of a new Firearm Owner's Identification Card to
9 the dealer or dealership agent.

10 Section 95. Returned checks; fines. Any person who delivers
11 a check or other payment to the Department that is returned to
12 the Department unpaid by the financial institution upon which
13 it is drawn shall pay to the Department, in addition to the
14 amount already owed to the Department, a fine of \$50. The fines
15 imposed by this Section are in addition to any other discipline
16 provided under this Act for unlicensed business or business on
17 a nonrenewed license. The Department shall notify the person
18 that payment of fees and fines shall be paid to the Department
19 by certified check or money order within 30 calendar days of
20 the notification. If, after the expiration of 30 days from the
21 date of the notification, the person has failed to submit the
22 necessary remittance, the Department shall automatically
23 terminate the license or card or deny the application, without
24 hearing. If, after termination or denial, the person seeks a
25 license or card, he or she shall apply to the Department for

1 restoration or issuance of the license or card and pay all fees
2 and fines due to the Department. The Department may establish a
3 fee for the processing of an application for restoration of a
4 license or card to pay all expenses of processing this
5 application. The Secretary may waive the fines due under this
6 Section in individual cases if the Secretary finds that the
7 fines would be unreasonable or unnecessarily burdensome.

8 Section 100. Statute of limitations. No action may be taken
9 under this Act against a person or entity licensed under this
10 Act unless the action is commenced within 5 years after the
11 occurrence of the alleged violations. A continuing violation
12 shall be deemed to have occurred on the date when the
13 circumstances last existed that give rise to the alleged
14 violation.

15 Section 105. Complaints; investigations; hearings.

16 (a) The Department may investigate the actions of any
17 applicant or of any person or persons holding or claiming to
18 hold a license or registration under this Act.

19 (b) The Department shall, before disciplining a licensee
20 under Section 115 or refusing to issue or license, at least 30
21 days before the date set for the hearing, (i) notify the
22 accused in writing of the charges made and the time and place
23 for the hearing on the charges, (ii) direct him or her to file
24 a written answer to the charges under oath within 20 days after

1 service, and (iii) inform the applicant or licensee that
2 failure to answer will result in a default being entered
3 against the applicant or licensee.

4 (c) At the time and place fixed in the notice, the Board or
5 the hearing officer appointed by the Secretary shall proceed to
6 hear the charges, and the parties or their counsel shall be
7 accorded ample opportunity to present any pertinent
8 statements, testimony, evidence, and arguments. The Board or
9 hearing officer may continue the hearing from time to time. In
10 case the person, after receiving the notice, fails to file an
11 answer, his or her license may, in the discretion of the
12 Secretary, having first received the recommendation of the
13 Board, be suspended, revoked, or placed on probationary status,
14 or be subject to whatever disciplinary action the Secretary
15 considers proper, including limiting the scope, nature, or
16 extent of the person's business or the imposition of a fine,
17 without hearing, if the act or acts charged constitute
18 sufficient grounds for that action under this Act.

19 (d) The written notice and any notice in the subsequent
20 proceeding may be served by certified mail to the licensee's
21 address of record.

22 (e) The Secretary has the authority to appoint any attorney
23 licensed to practice law in this State to serve as the hearing
24 officer in any action for refusal to issue, restore, or renew a
25 license or to discipline a licensee. The hearing officer has
26 full authority to conduct the hearing.

1 Section 110. Hearing; rehearing.

2 (a) The Board or the hearing officer authorized by the
3 Department shall hear evidence in support of the formal charges
4 and evidence produced by the licensee. At the conclusion of the
5 hearing, the Board shall present to the Secretary a written
6 report of its findings of fact, conclusions of law, and
7 recommendations. The report shall contain a finding of whether
8 the accused person violated this Act or failed to comply with
9 the conditions required in this Act. The Board shall specify
10 the nature of the violation or failure to comply and shall make
11 its recommendation to the Secretary.

12 (b) At the conclusion of the hearing, a copy of the Board
13 or hearing officer's report shall be served upon the applicant
14 or licensee by the Department, either personally or as provided
15 in this Act for the service of a notice of hearing. Within 20
16 calendar days after service, the applicant or licensee may
17 present to the Department a motion in writing for a rehearing,
18 which shall specify the particular grounds for rehearing. The
19 Department may respond to the motion for rehearing within 20
20 calendar days after its service on the Department. If no motion
21 for rehearing is filed, then upon the expiration of the time
22 specified for filing such a motion, or upon denial of a motion
23 for rehearing, the Secretary may enter an order in accordance
24 with the recommendations of the Board or hearing officer. If
25 the applicant or licensee orders from the reporting service and

1 pays for a transcript of the record within the time for filing
2 a motion for rehearing, the 20-day period within which a motion
3 may be filed shall commence upon the delivery of the transcript
4 to the applicant or licensee.

5 (c) If the Secretary disagrees in any regard with the
6 report of the Board, the Secretary may issue an order contrary
7 to the report. The finding is not admissible in evidence
8 against the person in a criminal prosecution brought for the
9 violation of this Act, but the hearing and findings are not a
10 bar to a criminal prosecution for the violation of this Act.

11 (d) Whenever the Secretary is not satisfied that
12 substantial justice has been done, the Secretary may order a
13 rehearing by the same or another hearing officer.

14 (e) All proceedings under this Section are matters of
15 public record and shall be preserved.

16 (f) Upon the suspension or revocation of a license, the
17 licensee shall surrender the license to the Department and,
18 upon failure to do so, the Department shall seize the same.

19 Section 115. Summary suspension of a license. The Secretary
20 may summarily suspend a license without a hearing,
21 simultaneously with the initiation of the procedure for a
22 hearing provided for in this Act, if the Secretary finds that
23 the public interest, safety, or welfare requires the emergency
24 action. If the Secretary summarily suspends a license without a
25 hearing, a hearing by the Department shall be held within 30

1 days after the suspension has occurred. The suspended licensee
2 may seek a continuance of the hearing, during which time the
3 suspension shall remain in effect. The proceeding shall be
4 concluded without appreciable delay. If the Department does not
5 hold a hearing within 30 days after the date of suspension and
6 the suspended licensee did not seek a continuance, the
7 licensee's license shall be automatically reinstated.

8 Section 120. Disposition by consent order. At any point in
9 any investigation or disciplinary proceeding provided for in
10 the Act, both parties may agree to a negotiated consent order.
11 The consent order shall be final upon signature of the
12 Secretary.

13 Section 125. Restoration of license after disciplinary
14 proceedings. At any time after the successful completion of a
15 term of indefinite probation, indefinite suspension, or
16 revocation of a license, the Department may restore it to the
17 licensee, unless, after an investigation and a hearing, the
18 Secretary determines that restoration is not in the public
19 interest. No person or entity whose license, card, or authority
20 has been revoked as authorized in this Act may apply for
21 restoration of that license, registration, or authority until
22 such time as provided for in the Civil Administrative Code of
23 Illinois.

1 Section 130. Injunction; cease and desist orders.

2 (a) Upon the filing of a verified petition in court, if
3 satisfied by affidavit or otherwise that the person, firm,
4 corporation, or other legal entity is or has been conducting
5 activities in violation of this Act, the court may enter a
6 temporary restraining order or preliminary injunction, without
7 bond, enjoining the defendant from further activity. A copy of
8 the verified complaint shall be served upon the defendant and
9 the proceedings shall be conducted as in civil cases. If it is
10 established the defendant has been or is conducting activities
11 in violation of this Act, the court may enter a judgment
12 enjoining the defendant from that activity. In case of
13 violation of any injunctive order or judgment entered under
14 this Section, the court may punish the offender for contempt of
15 court. Injunctive proceedings shall be in addition to all other
16 penalties under this Act.

17 (b) If any person has engaged in the business of selling,
18 leasing, or otherwise transferring firearms without having a
19 valid license under this Act, then any licensee, any interested
20 party, or any person injured thereby may, in addition to the
21 Secretary, petition for relief as provided in subsection (a) of
22 this Section.

23 (c) Whenever the Department has reason to believe a person,
24 firm, corporation, or other legal entity has violated any
25 provision of this Act, the Department may issue a rule to show
26 cause why an order to cease and desist should not be entered

1 against that person, firm, corporation, or other legal entity.
2 The rule shall clearly set forth the grounds relied upon by the
3 Department and shall provide a period of 7 days from the date
4 of the rule to file an answer to the satisfaction of the
5 Department. Failure to answer to the satisfaction of the
6 Department shall cause an order to cease and desist to be
7 issued immediately.

8 Section 135. Administrative review. All final
9 administrative decisions of the Department are subject to
10 judicial review under Article III of the Code of Civil
11 Procedure. The term "administrative decision" is defined as in
12 Section 3-101 of the Code of Civil Procedure. The proceedings
13 for judicial review shall be commenced in the circuit court of
14 the county in which the party applying for review resides; but
15 if the party is not a resident of this State, the venue shall
16 be in Sangamon County. The Department shall not be required to
17 certify any record to the court or file any answer in court or
18 otherwise appear in any court in a judicial review proceeding,
19 unless and until the Department has received from the plaintiff
20 payment of the costs of furnishing and certifying the record,
21 which costs shall be determined by the Department. Exhibits
22 shall be certified without cost. Failure on the part of the
23 applicant or licensee to file a receipt in court is grounds for
24 dismissal of the action.

1 Section 140. Prima facie proof.

2 (a) An order or a certified copy thereof, over the seal of
3 the Department and purporting to be signed by the Secretary, is
4 prima facie proof that the signature is that of the Secretary,
5 and the Secretary is qualified to act.

6 (b) A certified copy of a record of the Department shall,
7 without further proof, be admitted into evidence in any legal
8 proceeding, and shall be prima facie correct and prima facie
9 evidence of the information contained therein.

10 Section 145. Subpoenas.

11 (a) The Department may subpoena and bring before it any
12 person to take the oral or written testimony or compel the
13 production of any books, papers, records, or any other
14 documents that the Secretary or his or her designee deems
15 relevant or material to any such investigation or hearing
16 conducted by the Department with the same fees and in the same
17 manner as prescribed in civil cases in the courts of this
18 State.

19 (b) Any circuit court, upon the application of the
20 applicant, licensee, or Department, may order the attendance
21 and testimony of witnesses and the production of relevant
22 documents, files, records, books, and papers in connection with
23 any hearing or investigation. The circuit court may compel
24 obedience to its order by proceedings for contempt.

25 (c) The Secretary, the hearing officer, any member of the

1 Board, or a certified shorthand court reporter may administer
2 oaths at any hearing the Department conducts. Notwithstanding
3 any other statute or Department rule to the contrary, all
4 requests for testimony, production of documents or records
5 shall be in accordance with this Act.

6 Section 150. Stenographers. The Department, at its
7 expense, shall preserve the record of all proceedings at a
8 formal hearing of any case. The notice of hearing, complaint,
9 all other documents in the nature of pleadings and written
10 motions filed in the proceedings, the transcript of testimony,
11 the report of the Board and orders of the Department shall be
12 in the record of the proceedings.

13 Section 155. Fees; deposit of fees and fines. The
14 Department shall by rule provide for fees for the
15 administration and enforcement of this Act, and those fees are
16 nonrefundable. Applicants for examination shall be required to
17 pay a fee to either the Department or the designated testing
18 service to cover the cost of providing the examination. If an
19 applicant fails to appear for the examination on the scheduled
20 date at the time and place specified by the Department or
21 designated testing service, then the applicant's examination
22 fee shall be forfeited. All of the fees, penalties, and fines
23 collected under this Act shall be deposited into the General
24 Professions Dedicated Fund and shall be appropriated to the

1 Department for the ordinary and contingent expenses of the
2 Department in the administration and enforcement of this Act.

3 Section 160. Illinois Administrative Procedure Act;
4 application.

5 (a) All rules required under this Act shall be adopted in
6 accordance with Article 5 of the Illinois Administrative
7 Procedure Act.

8 (b) Article 10 of the Illinois Administrative Procedure Act
9 is expressly adopted and incorporated in this Act as if all of
10 the provisions of that Article were included in this Act,
11 except that the provision of paragraph (d) of Section 10-65 of
12 the Illinois Administrative Procedure Act, which provides that
13 at hearings the registrant or licensee has the right to show
14 compliance with all lawful requirements for retention or
15 continuation or renewal of the license, is specifically
16 excluded. For the purpose of this Act, the notice required
17 under Section 10-25 of the Illinois Administrative Procedure
18 Act is considered sufficient when mailed to the address of
19 record of a party.

20 Section 165. Confidentiality. All information collected by
21 the Department in the course of an examination or investigation
22 of a licensee or applicant, including, but not limited to, any
23 complaint against a licensee filed with the Department and
24 information collected to investigate any such complaint, shall

1 be maintained for the confidential use of the Department and
2 shall not be disclosed. The Department shall not disclose the
3 information to anyone other than law enforcement officials,
4 regulatory agencies that have an appropriate regulatory
5 interest as determined by the Secretary, or a party presenting
6 a lawful subpoena to the Department. Information and documents
7 disclosed to a federal, State, county, or local law enforcement
8 agency shall not be disclosed by the agency for any purpose to
9 any other agency or person. A formal complaint filed against a
10 licensee by the Department or any order issued by the
11 Department against a licensee or applicant shall be a public
12 record, except as otherwise prohibited by law.

13 Section 900. The Regulatory Sunset Act is amended by adding
14 Section 4.37 as follows:

15 (5 ILCS 80/4.37 new)

16 Sec. 4.37. Act repealed on January 1, 2027. The following
17 Act is repealed on January 1, 2027:
18 The Gun Dealer Licensing Act."