



99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

HB3803

by Rep. Mark Batinick

SYNOPSIS AS INTRODUCED:

See Index

Amends the Real Estate License Act of 2000. Removes references to salespersons under the Act (salesperson licenses were transitioned to broker licenses in 2011). Repeals provisions concerning transitions in licensure. Makes changes in provisions concerning definitions, leasing agent licenses, necessity of licenses, exemption from licensure, broker licenses, managing broker licenses, real estate auction certification, examinations, change of address, expiration of licenses, managing brokers licensed in other states, continuing education, compensation, legislative intent, penalties for unlicensed practice, disciplinary actions, injunctions, violations, the Real Estate Recovery Fund, the Real Estate Administration and Disciplinary Board, the Real Estate Research and Education Fund, licensing of continuing education schools, and savings provisions.

LRB099 09518 AMC 29726 b

1 AN ACT concerning regulation.

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

4 Section 5. The Real Estate License Act of 2000 is amended
5 by changing Sections 1-10, 5-5, 5-10, 5-15, 5-20, 5-26, 5-27,
6 5-28, 5-32, 5-35, 5-41, 5-50, 5-60, 5-70, 10-10, 10-15, 15-5,
7 20-10, 20-20, 20-21, 20-22, 20-85, 25-10, 25-25, 30-15, and
8 35-5 as follows:

9 (225 ILCS 454/1-10)

10 (Section scheduled to be repealed on January 1, 2020)

11 Sec. 1-10. Definitions. In this Act, unless the context
12 otherwise requires:

13 "Act" means the Real Estate License Act of 2000.

14 "Address of Record" means the designated address recorded
15 by the Department in the applicant's or licensee's application
16 file or license file as maintained by the Department's
17 licensure maintenance unit. It is the duty of the applicant or
18 licensee to inform the Department of any change of address, and
19 those changes must be made either through the Department's
20 website or by contacting the Department.

21 "Advisory Council" means the Real Estate Education
22 Advisory Council created under Section 30-10 of this Act.

23 "Agency" means a relationship in which a ~~real estate~~ broker

1 or licensee, whether directly or through an affiliated
2 licensee, represents a consumer by the consumer's consent,
3 whether express or implied, in a real property transaction.

4 "Applicant" means any person, as defined in this Section,
5 who applies to the Department for a valid license as a managing
6 ~~real estate broker, broker real estate salesperson,~~ or leasing
7 agent.

8 "Blind advertisement" means any real estate advertisement
9 that does not include the sponsoring broker's business name and
10 that is used by any licensee regarding the sale or lease of
11 real estate, including his or her own, licensed activities, or
12 the hiring of any licensee under this Act. The broker's
13 business name in the case of a franchise shall include the
14 franchise affiliation as well as the name of the individual
15 firm.

16 "Board" means the Real Estate Administration and
17 Disciplinary Board of the Department as created by Section
18 25-10 of this Act.

19 "Branch office" means a sponsoring broker's office other
20 than the sponsoring broker's principal office.

21 "Broker" means an individual, partnership, limited
22 liability company, corporation, or registered limited
23 liability partnership other than a ~~real estate salesperson or~~
24 leasing agent who, whether in person or through any media or
25 technology, for another and for compensation, or with the
26 intention or expectation of receiving compensation, either

1 directly or indirectly:

2 (1) Sells, exchanges, purchases, rents, or leases real
3 estate.

4 (2) Offers to sell, exchange, purchase, rent, or lease
5 real estate.

6 (3) Negotiates, offers, attempts, or agrees to
7 negotiate the sale, exchange, purchase, rental, or leasing
8 of real estate.

9 (4) Lists, offers, attempts, or agrees to list real
10 estate for sale, rent, lease, or exchange.

11 (5) Buys, sells, offers to buy or sell, or otherwise
12 deals in options on real estate or improvements thereon.

13 (6) Supervises the collection, offer, attempt, or
14 agreement to collect rent for the use of real estate.

15 (7) Advertises or represents himself or herself as
16 being engaged in the business of buying, selling,
17 exchanging, renting, or leasing real estate.

18 (8) Assists or directs in procuring or referring of
19 leads or prospects, intended to result in the sale,
20 exchange, lease, or rental of real estate.

21 (9) Assists or directs in the negotiation of any
22 transaction intended to result in the sale, exchange,
23 lease, or rental of real estate.

24 (10) Opens real estate to the public for marketing
25 purposes.

26 (11) Sells, leases, or offers for sale or lease real

1 estate at auction.

2 (12) Prepares or provides a broker price opinion or
3 comparative market analysis as those terms are defined in
4 this Act, pursuant to the provisions of Section 10-45 of
5 this Act.

6 "Brokerage agreement" means a written or oral agreement
7 between a sponsoring broker and a consumer for licensed
8 activities to be provided to a consumer in return for
9 compensation or the right to receive compensation from another.
10 Brokerage agreements may constitute either a bilateral or a
11 unilateral agreement between the broker and the broker's client
12 depending upon the content of the brokerage agreement. All
13 exclusive brokerage agreements shall be in writing.

14 "Broker price opinion" means an estimate or analysis of the
15 probable selling price of a particular interest in real estate,
16 which may provide a varying level of detail about the
17 property's condition, market, and neighborhood and information
18 on comparable sales. The activities of a real estate broker or
19 managing broker engaging in the ordinary course of business as
20 a broker, as defined in this Section, shall not be considered a
21 broker price opinion if no compensation is paid to the broker
22 or managing broker, other than compensation based upon the sale
23 or rental of real estate.

24 "Client" means a person who is being represented by a
25 licensee.

26 "Comparative market analysis" is an analysis or opinion

1 regarding pricing, marketing, or financial aspects relating to
2 a specified interest or interests in real estate that may be
3 based upon an analysis of comparative market data, the
4 expertise of the real estate broker or managing broker, and
5 such other factors as the broker or managing broker may deem
6 appropriate in developing or preparing such analysis or
7 opinion. The activities of a real estate broker or managing
8 broker engaging in the ordinary course of business as a broker,
9 as defined in this Section, shall not be considered a
10 comparative market analysis if no compensation is paid to the
11 broker or managing broker, other than compensation based upon
12 the sale or rental of real estate.

13 "Compensation" means the valuable consideration given by
14 one person or entity to another person or entity in exchange
15 for the performance of some activity or service. Compensation
16 shall include the transfer of valuable consideration,
17 including without limitation the following:

- 18 (1) commissions;
- 19 (2) referral fees;
- 20 (3) bonuses;
- 21 (4) prizes;
- 22 (5) merchandise;
- 23 (6) finder fees;
- 24 (7) performance of services;
- 25 (8) coupons or gift certificates;
- 26 (9) discounts;

1 (10) rebates;

2 (11) a chance to win a raffle, drawing, lottery, or
3 similar game of chance not prohibited by any other law or
4 statute;

5 (12) retainer fee; or

6 (13) salary.

7 "Confidential information" means information obtained by a
8 licensee from a client during the term of a brokerage agreement
9 that (i) was made confidential by the written request or
10 written instruction of the client, (ii) deals with the
11 negotiating position of the client, or (iii) is information the
12 disclosure of which could materially harm the negotiating
13 position of the client, unless at any time:

14 (1) the client permits the disclosure of information
15 given by that client by word or conduct;

16 (2) the disclosure is required by law; or

17 (3) the information becomes public from a source other
18 than the licensee.

19 "Confidential information" shall not be considered to
20 include material information about the physical condition of
21 the property.

22 "Consumer" means a person or entity seeking or receiving
23 licensed activities.

24 "Continuing education school" means any person licensed by
25 the Department as a school for continuing education in
26 accordance with Section 30-15 of this Act.

1 "Coordinator" means the Coordinator of Real Estate created
2 in Section 25-15 of this Act.

3 "Credit hour" means 50 minutes of classroom instruction in
4 course work that meets the requirements set forth in rules
5 adopted by the Department.

6 "Customer" means a consumer who is not being represented by
7 the licensee but for whom the licensee is performing
8 ministerial acts.

9 "Department" means the Department of Financial and
10 Professional Regulation.

11 "Designated agency" means a contractual relationship
12 between a sponsoring broker and a client under Section 15-50 of
13 this Act in which one or more licensees associated with or
14 employed by the broker are designated as agent of the client.

15 "Designated agent" means a sponsored licensee named by a
16 sponsoring broker as the legal agent of a client, as provided
17 for in Section 15-50 of this Act.

18 "Dual agency" means an agency relationship in which a
19 licensee is representing both buyer and seller or both landlord
20 and tenant in the same transaction. When the agency
21 relationship is a designated agency, the question of whether
22 there is a dual agency shall be determined by the agency
23 relationships of the designated agent of the parties and not of
24 the sponsoring broker.

25 "Employee" or other derivative of the word "employee", when
26 used to refer to, describe, or delineate the relationship

1 between a ~~real estate~~ broker and a ~~real estate salesperson~~,
2 another ~~real estate~~ broker, or a leasing agent, shall be
3 construed to include an independent contractor relationship,
4 provided that a written agreement exists that clearly
5 establishes and states the relationship. All responsibilities
6 of a broker shall remain.

7 "Escrow moneys" means all moneys, promissory notes or any
8 other type or manner of legal tender or financial consideration
9 deposited with any person for the benefit of the parties to the
10 transaction. A transaction exists once an agreement has been
11 reached and an accepted real estate contract signed or lease
12 agreed to by the parties. Escrow moneys includes without
13 limitation earnest moneys and security deposits, except those
14 security deposits in which the person holding the security
15 deposit is also the sole owner of the property being leased and
16 for which the security deposit is being held.

17 "Electronic means of proctoring" means a methodology
18 providing assurance that the person taking a test and
19 completing the answers to questions is the person seeking
20 licensure or credit for continuing education and is doing so
21 without the aid of a third party or other device.

22 "Exclusive brokerage agreement" means a written brokerage
23 agreement that provides that the sponsoring broker has the sole
24 right, through one or more sponsored licensees, to act as the
25 exclusive designated agent or representative of the client and
26 that meets the requirements of Section 15-75 of this Act.

1 "Inoperative" means a status of licensure where the
2 licensee holds a current license under this Act, but the
3 licensee is prohibited from engaging in licensed activities
4 because the licensee is unsponsored or the license of the
5 sponsoring broker with whom the licensee is associated or by
6 whom he or she is employed is currently expired, revoked,
7 suspended, or otherwise rendered invalid under this Act.

8 "Interactive delivery method" means delivery of a course by
9 an instructor through a medium allowing for 2-way communication
10 between the instructor and a student in which either can
11 initiate or respond to questions.

12 "Leads" means the name or names of a potential buyer,
13 seller, lessor, lessee, or client of a licensee.

14 "Leasing Agent" means a person who is employed by a ~~real~~
15 ~~estate~~ broker to engage in licensed activities limited to
16 leasing residential real estate who has obtained a license as
17 provided for in Section 5-5 of this Act.

18 "License" means the document issued by the Department
19 certifying that the person named thereon has fulfilled all
20 requirements prerequisite to licensure under this Act.

21 "Licensed activities" means those activities listed in the
22 definition of "broker" under this Section.

23 "Licensee" means any person, as defined in this Section,
24 who holds a valid unexpired license as a managing ~~real estate~~
25 broker, broker ~~real estate salesperson~~, or leasing agent.

26 "Listing presentation" means a communication between a

1 managing ~~real-estate~~ broker or broker ~~salesperson~~ and a
2 consumer in which the licensee is attempting to secure a
3 brokerage agreement with the consumer to market the consumer's
4 real estate for sale or lease.

5 "Managing broker" means a broker who has supervisory
6 responsibilities for licensees in one or, in the case of a
7 multi-office company, more than one office and who has been
8 appointed as such by the sponsoring broker.

9 "Medium of advertising" means any method of communication
10 intended to influence the general public to use or purchase a
11 particular good or service or real estate.

12 "Ministerial acts" means those acts that a licensee may
13 perform for a consumer that are informative or clerical in
14 nature and do not rise to the level of active representation on
15 behalf of a consumer. Examples of these acts include without
16 limitation (i) responding to phone inquiries by consumers as to
17 the availability and pricing of brokerage services, (ii)
18 responding to phone inquiries from a consumer concerning the
19 price or location of property, (iii) attending an open house
20 and responding to questions about the property from a consumer,
21 (iv) setting an appointment to view property, (v) responding to
22 questions of consumers walking into a licensee's office
23 concerning brokerage services offered or particular
24 properties, (vi) accompanying an appraiser, inspector,
25 contractor, or similar third party on a visit to a property,
26 (vii) describing a property or the property's condition in

1 response to a consumer's inquiry, (viii) completing business or
2 factual information for a consumer on an offer or contract to
3 purchase on behalf of a client, (ix) showing a client through a
4 property being sold by an owner on his or her own behalf, or
5 (x) referral to another broker or service provider.

6 "Office" means a ~~real-estate~~ broker's place of business
7 where the general public is invited to transact business and
8 where records may be maintained and licenses displayed, whether
9 or not it is the broker's principal place of business.

10 "Person" means and includes individuals, entities,
11 corporations, limited liability companies, registered limited
12 liability partnerships, and partnerships, foreign or domestic,
13 except that when the context otherwise requires, the term may
14 refer to a single individual or other described entity.

15 "Personal assistant" means a licensed or unlicensed person
16 who has been hired for the purpose of aiding or assisting a
17 sponsored licensee in the performance of the sponsored
18 licensee's job.

19 "Pocket card" means the card issued by the Department to
20 signify that the person named on the card is currently licensed
21 under this Act.

22 "Pre-license school" means a school licensed by the
23 Department offering courses in subjects related to real estate
24 transactions, including the subjects upon which an applicant is
25 examined in determining fitness to receive a license.

26 "Pre-renewal period" means the period between the date of

1 issue of a currently valid license and the license's expiration
2 date.

3 "Proctor" means any person, including, but not limited to,
4 an instructor, who has a written agreement to administer
5 examinations fairly and impartially with a licensed
6 pre-license school or a licensed continuing education school.

7 "Real estate" means and includes leaseholds as well as any
8 other interest or estate in land, whether corporeal,
9 incorporeal, freehold, or non-freehold, including timeshare
10 interests, and whether the real estate is situated in this
11 State or elsewhere.

12 "Regular employee" means a person working an average of 20
13 hours per week for a person or entity who would be considered
14 as an employee under the Internal Revenue Service eleven main
15 tests in three categories being behavioral control, financial
16 control and the type of relationship of the parties, formerly
17 the twenty factor test.

18 ~~"Salesperson" means any individual, other than a real~~
19 ~~estate broker or leasing agent, who is employed by a real~~
20 ~~estate broker or is associated by written agreement with a real~~
21 ~~estate broker as an independent contractor and participates in~~
22 ~~any activity described in the definition of "broker" under this~~
23 ~~Section.~~

24 "Secretary" means the Secretary of the Department of
25 Financial and Professional Regulation, or a person authorized
26 by the Secretary to act in the Secretary's stead.

1 "Sponsoring broker" means the broker who has issued a
2 sponsor card to a licensed managing broker ~~salesperson~~, another
3 licensed broker, or a leasing agent.

4 "Sponsor card" means the temporary permit issued by the
5 sponsoring ~~real estate~~ broker certifying that the managing ~~real~~
6 ~~estate~~ broker, broker ~~real estate salesperson~~, or leasing agent
7 named thereon is employed by or associated by written agreement
8 with the sponsoring ~~real estate~~ broker, as provided for in
9 Section 5-40 of this Act.

10 (Source: P.A. 98-531, eff. 8-23-13; 98-1109, eff. 1-1-15.)

11 (225 ILCS 454/5-5)

12 (Section scheduled to be repealed on January 1, 2020)

13 Sec. 5-5. Leasing agent license.

14 (a) The purpose of this Section is to provide for a limited
15 scope license to enable persons who wish to engage in
16 activities limited to the leasing of residential real property
17 for which a license is required under this Act, and only those
18 activities, to do so by obtaining the license provided for
19 under this Section.

20 (b) Notwithstanding the other provisions of this Act, there
21 is hereby created a leasing agent license that shall enable the
22 licensee to engage only in residential leasing activities for
23 which a license is required under this Act. Such activities
24 include without limitation leasing or renting residential real
25 property, or attempting, offering, or negotiating to lease or

1 rent residential real property, or supervising the collection,
2 offer, attempt, or agreement to collect rent for the use of
3 residential real property. Nothing in this Section shall be
4 construed to require a licensed managing ~~real-estate~~ broker or
5 broker ~~salesperson~~ to obtain a leasing agent license in order
6 to perform leasing activities for which a license is required
7 under this Act. Licensed leasing agents must be sponsored and
8 employed by a sponsoring broker.

9 (c) The Department, by rule shall provide for the licensing
10 of leasing agents, including the issuance, renewal, and
11 administration of licenses.

12 (d) Notwithstanding any other provisions of this Act to the
13 contrary, a person may engage in residential leasing activities
14 for which a license is required under this Act, for a period of
15 120 consecutive days without being licensed, so long as the
16 person is acting under the supervision of a licensed ~~real-~~
17 ~~estate~~ broker and the broker has notified the Department that
18 the person is pursuing licensure under this Section. During the
19 120 day period all requirements of Sections 5-10 and 5-65 of
20 this Act with respect to education, successful completion of an
21 examination, and the payment of all required fees must be
22 satisfied. The Department may adopt rules to ensure that the
23 provisions of this subsection are not used in a manner that
24 enables an unlicensed person to repeatedly or continually
25 engage in activities for which a license is required under this
26 Act.

1 (Source: P.A. 96-856, eff. 12-31-09.)

2 (225 ILCS 454/5-10)

3 (Section scheduled to be repealed on January 1, 2020)

4 Sec. 5-10. Requirements for license as leasing agent.

5 (a) Every applicant for licensure as a leasing agent must
6 meet the following qualifications:

7 (1) be at least 18 years of age;

8 (2) be of good moral character;

9 (3) successfully complete a 4-year course of study in a
10 high school or secondary school or an equivalent course of
11 study approved by the Illinois State Board of Education;

12 (4) personally take and pass a written examination
13 authorized by the Department sufficient to demonstrate the
14 applicant's knowledge of the provisions of this Act
15 relating to leasing agents and the applicant's competence
16 to engage in the activities of a licensed leasing agent;

17 (5) provide satisfactory evidence of having completed
18 15 hours of instruction in an approved course of study
19 relating to the leasing of residential real property. The
20 course of study shall, among other topics, cover the
21 provisions of this Act applicable to leasing agents; fair
22 housing issues relating to residential leasing;
23 advertising and marketing issues; leases, applications,
24 and credit reports; owner-tenant relationships and
25 owner-tenant laws; the handling of funds; and

1 environmental issues relating to residential real
2 property;

3 (6) complete any other requirements as set forth by
4 rule; and

5 (7) present a valid application for issuance of an
6 initial license accompanied by a sponsor card and the fees
7 specified by rule.

8 (b) No applicant shall engage in any of the activities
9 covered by this Act until a valid sponsor card has been issued
10 to such applicant. The sponsor card shall be valid for a
11 maximum period of 45 days after the date of issuance unless
12 extended for good cause as provided by rule.

13 (c) Successfully completed course work, completed pursuant
14 to the requirements of this Section, may be applied to the
15 course work requirements to obtain a managing ~~real-estate~~
16 ~~broker's~~ or broker's salesperson's license as provided by rule.
17 The Advisory Council may recommend through the Board to the
18 Department and the Department may adopt requirements for
19 approved courses, course content, and the approval of courses,
20 instructors, and schools, as well as school and instructor
21 fees. The Department may establish continuing education
22 requirements for licensed leasing agents, by rule, with the
23 advice of the Advisory Council and Board.

24 (Source: P.A. 96-856, eff. 12-31-09.)

25 (225 ILCS 454/5-15)

1 (Section scheduled to be repealed on January 1, 2020)

2 Sec. 5-15. Necessity of managing broker, broker,
3 ~~salesperson,~~ or leasing agent license or sponsor card;
4 ownership restrictions.

5 (a) It is unlawful for any person, corporation, limited
6 liability company, registered limited liability partnership,
7 or partnership to act as a managing broker, ~~real estate~~ broker,
8 ~~real estate salesperson,~~ or leasing agent or to advertise or
9 assume to act as such broker, ~~salesperson,~~ or leasing agent
10 without a properly issued sponsor card or a license issued
11 under this Act by the Department, either directly or through
12 its authorized designee.

13 (b) No corporation shall be granted a license or engage in
14 the business or capacity, either directly or indirectly, of a
15 ~~real estate~~ broker, unless every officer of the corporation who
16 actively participates in the real estate activities of the
17 corporation holds a license as a managing broker or broker and
18 unless every employee who acts as a ~~salesperson,~~ or leasing
19 agent for the corporation holds a license as a broker,
20 ~~salesperson,~~ or leasing agent.

21 (c) No partnership shall be granted a license or engage in
22 the business or serve in the capacity, either directly or
23 indirectly, of a ~~real estate~~ broker, unless every general
24 partner in the partnership holds a license as a managing broker
25 or broker and unless every employee who acts as a ~~salesperson~~
26 ~~or~~ leasing agent for the partnership holds a license as a

1 managing broker, broker, ~~salesperson~~, or leasing agent. In the
2 case of a registered limited liability partnership (LLP), every
3 partner in the LLP must hold a license as a managing broker or
4 broker and every employee who acts as a ~~salesperson~~ or leasing
5 agent must hold a license as a managing broker, broker,
6 ~~salesperson~~, or leasing agent.

7 (d) No limited liability company shall be granted a license
8 or engage in the business or serve in the capacity, either
9 directly or indirectly, of a broker unless every manager in the
10 limited liability company or every member in a member managed
11 limited liability company holds a license as a managing broker
12 or broker and unless every other member and employee who acts
13 as a ~~salesperson~~ or leasing agent for the limited liability
14 company holds a license as a managing broker, broker,
15 ~~salesperson~~, or leasing agent.

16 (e) No partnership, limited liability company, or
17 corporation shall be licensed to conduct a brokerage business
18 where an individual ~~salesperson~~ or leasing agent, or group of
19 ~~salespersons~~ or leasing agents, owns or directly or indirectly
20 controls more than 49% of the shares of stock or other
21 ownership in the partnership, limited liability company, or
22 corporation.

23 (Source: P.A. 96-856, eff. 12-31-09.)

24 (225 ILCS 454/5-20)

25 (Section scheduled to be repealed on January 1, 2020)

1 Sec. 5-20. Exemptions from managing broker, broker,
2 ~~salesperson~~, or leasing agent license requirement. The
3 requirement for holding a license under this Article 5 shall
4 not apply to:

5 (1) Any person, partnership, or corporation that as
6 owner or lessor performs any of the acts described in the
7 definition of "broker" under Section 1-10 of this Act with
8 reference to property owned or leased by it, or to the
9 regular employees thereof with respect to the property so
10 owned or leased, where such acts are performed in the
11 regular course of or as an incident to the management,
12 sale, or other disposition of such property and the
13 investment therein, provided that such regular employees
14 do not perform any of the acts described in the definition
15 of "broker" under Section 1-10 of this Act in connection
16 with a vocation of selling or leasing any real estate or
17 the improvements thereon not so owned or leased.

18 (2) An attorney in fact acting under a duly executed
19 and recorded power of attorney to convey real estate from
20 the owner or lessor or the services rendered by an attorney
21 at law in the performance of the attorney's duty as an
22 attorney at law.

23 (3) Any person acting as receiver, trustee in
24 bankruptcy, administrator, executor, or guardian or while
25 acting under a court order or under the authority of a will
26 or testamentary trust.

1 (4) Any person acting as a resident manager for the
2 owner or any employee acting as the resident manager for a
3 broker managing an apartment building, duplex, or
4 apartment complex, when the resident manager resides on the
5 premises, the premises is his or her primary residence, and
6 the resident manager is engaged in the leasing of the
7 property of which he or she is the resident manager.

8 (5) Any officer or employee of a federal agency in the
9 conduct of official duties.

10 (6) Any officer or employee of the State government or
11 any political subdivision thereof performing official
12 duties.

13 (7) Any multiple listing service or other similar
14 information exchange that is engaged in the collection and
15 dissemination of information concerning real estate
16 available for sale, purchase, lease, or exchange for the
17 purpose of providing licensees with a system by which
18 licensees may cooperatively share information along with
19 which no other licensed activities, as defined in Section
20 1-10 of this Act, are provided.

21 (8) Railroads and other public utilities regulated by
22 the State of Illinois, or the officers or full time
23 employees thereof, unless the performance of any licensed
24 activities is in connection with the sale, purchase, lease,
25 or other disposition of real estate or investment therein
26 not needing the approval of the appropriate State

1 regulatory authority.

2 (9) Any medium of advertising in the routine course of
3 selling or publishing advertising along with which no other
4 licensed activities, as defined in Section 1-10 of this
5 Act, are provided.

6 (10) Any resident lessee of a residential dwelling unit
7 who refers for compensation to the owner of the dwelling
8 unit, or to the owner's agent, prospective lessees of
9 dwelling units in the same building or complex as the
10 resident lessee's unit, but only if the resident lessee (i)
11 refers no more than 3 prospective lessees in any 12-month
12 period, (ii) receives compensation of no more than \$1,500
13 or the equivalent of one month's rent, whichever is less,
14 in any 12-month period, and (iii) limits his or her
15 activities to referring prospective lessees to the owner,
16 or the owner's agent, and does not show a residential
17 dwelling unit to a prospective lessee, discuss terms or
18 conditions of leasing a dwelling unit with a prospective
19 lessee, or otherwise participate in the negotiation of the
20 leasing of a dwelling unit.

21 (11) An exchange company registered under the Real
22 Estate Timeshare Act of 1999 and the regular employees of
23 that registered exchange company but only when conducting
24 an exchange program as defined in that Act.

25 (12) An existing timeshare owner who, for
26 compensation, refers prospective purchasers, but only if

1 the existing timeshare owner (i) refers no more than 20
2 prospective purchasers in any calendar year, (ii) receives
3 no more than \$1,000, or its equivalent, for referrals in
4 any calendar year and (iii) limits his or her activities to
5 referring prospective purchasers of timeshare interests to
6 the developer or the developer's employees or agents, and
7 does not show, discuss terms or conditions of purchase or
8 otherwise participate in negotiations with regard to
9 timeshare interests.

10 (13) Any person who is licensed without examination
11 under Section 10-25 (now repealed) of the Auction License
12 Act is exempt from holding a managing broker's or broker's
13 ~~salesperson's~~ license under this Act for the limited
14 purpose of selling or leasing real estate at auction, so
15 long as:

16 (A) that person has made application for said
17 exemption by July 1, 2000;

18 (B) that person verifies to the Department that he
19 or she has sold real estate at auction for a period of
20 5 years prior to licensure as an auctioneer;

21 (C) the person has had no lapse in his or her
22 license as an auctioneer; and

23 (D) the license issued under the Auction License
24 Act has not been disciplined for violation of those
25 provisions of Article 20 of the Auction License Act
26 dealing with or related to the sale or lease of real

1 estate at auction.

2 (14) A person who holds a valid license under the
3 Auction License Act and a valid real estate auction
4 certification and conducts auctions for the sale of real
5 estate under Section 5-32 of this Act.

6 (15) A hotel operator who is registered with the
7 Illinois Department of Revenue and pays taxes under the
8 Hotel Operators' Occupation Tax Act and rents a room or
9 rooms in a hotel as defined in the Hotel Operators'
10 Occupation Tax Act for a period of not more than 30
11 consecutive days and not more than 60 days in a calendar
12 year.

13 (Source: P.A. 98-553, eff. 1-1-14.)

14 (225 ILCS 454/5-26)

15 (Section scheduled to be repealed on January 1, 2020)

16 Sec. 5-26. License Requirements ~~for license~~ as a
17 salesperson.

18 ~~(a) Every applicant for licensure as a salesperson must~~
19 ~~meet the following qualifications:~~

20 ~~(1) Be at least 21 years of age. The minimum age of 21~~
21 ~~years shall be waived for any person seeking a license as a~~
22 ~~real estate salesperson who has attained the age of 18 and~~
23 ~~can provide evidence of the successful completion of at~~
24 ~~least 4 semesters of post-secondary school study as a~~
25 ~~full time student or the equivalent, with major emphasis on~~

1 ~~real estate courses, in a school approved by the~~
2 ~~Department;~~

3 ~~(2) Be of good moral character;~~

4 ~~(3) Successfully complete a 4-year course of study in a~~
5 ~~high school or secondary school approved by the Illinois~~
6 ~~State Board of Education or an equivalent course of study~~
7 ~~as determined by an examination conducted by the Illinois~~
8 ~~State Board of Education, which shall be verified under~~
9 ~~oath by the applicant;~~

10 ~~(4) Provide satisfactory evidence of having completed~~
11 ~~at least 45 hours of instruction in real estate courses~~
12 ~~approved by the Advisory Council, except applicants who are~~
13 ~~currently admitted to practice law by the Supreme Court of~~
14 ~~Illinois and are currently in active standing;~~

15 ~~(5) Personally take and pass a written examination~~
16 ~~authorized by the Department; and~~

17 ~~(6) Present a valid application for issuance of a~~
18 ~~license accompanied by a sponsor card and the fees~~
19 ~~specified by rule.~~

20 ~~(b) No applicant shall engage in any of the activities~~
21 ~~covered by this Act until a valid sponsor card has been issued~~
22 ~~to the applicant. The sponsor card shall be valid for a maximum~~
23 ~~period of 45 days after the date of issuance unless extended~~
24 ~~for good cause as provided by rule.~~

25 ~~(c) All licenses should be readily available to the public~~
26 ~~at their sponsoring place of business.~~

1 ~~(d)~~ No new salesperson licenses shall be issued after April
2 30, 2011 and all existing salesperson licenses shall terminate
3 on May 1, 2012.

4 (Source: P.A. 96-856, eff. 12-31-09; 97-333, eff. 8-12-11.)

5 (225 ILCS 454/5-27)

6 (Section scheduled to be repealed on January 1, 2020)

7 Sec. 5-27. Requirements for licensure as a broker.

8 (a) Every applicant for licensure as a broker must meet the
9 following qualifications:

10 (1) Be at least 21 years of age. After April 30, 2011,
11 the minimum age of 21 years shall be waived for any person
12 seeking a license as a broker who has attained the age of
13 18 and can provide evidence of the successful completion of
14 at least 4 semesters of post-secondary school study as a
15 full-time student or the equivalent, with major emphasis on
16 real estate courses, in a school approved by the
17 Department;

18 (2) Be of good moral character;

19 (3) Successfully complete a 4-year course of study in a
20 high school or secondary school approved by the Illinois
21 State Board of Education or an equivalent course of study
22 as determined by an examination conducted by the Illinois
23 State Board of Education which shall be verified under oath
24 by the applicant;

25 (4) (Blank); ~~Prior to May 1, 2011, provide (i)~~

1 ~~satisfactory evidence of having completed at least 120~~
2 ~~classroom hours, 45 of which shall be those hours required~~
3 ~~to obtain a salesperson's license plus 15 hours in~~
4 ~~brokerage administration courses, in real estate courses~~
5 ~~approved by the Advisory Council or (ii) for applicants who~~
6 ~~currently hold a valid real estate salesperson's license,~~
7 ~~give satisfactory evidence of having completed at least 75~~
8 ~~hours in real estate courses, not including the courses~~
9 ~~that are required to obtain a salesperson's license,~~
10 ~~approved by the Advisory Council;~~

11 (5) After April 30, 2011, provide satisfactory
12 evidence of having completed 90 hours of instruction in
13 real estate courses approved by the Advisory Council, 15
14 hours of which must consist of situational and case studies
15 presented in the classroom or by other interactive delivery
16 method between the instructor and the students;

17 (6) Personally take and pass a written examination
18 authorized by the Department;

19 (7) Present a valid application for issuance of a
20 license accompanied by a sponsor card and the fees
21 specified by rule.

22 (b) The requirements specified in items (3) ~~(4)~~ and (5) of
23 subsection (a) of this Section do not apply to applicants who
24 are currently admitted to practice law by the Supreme Court of
25 Illinois and are currently in active standing.

26 (c) No applicant shall engage in any of the activities

1 covered by this Act until a valid sponsor card has been issued
2 to such applicant. The sponsor card shall be valid for a
3 maximum period of 45 days after the date of issuance unless
4 extended for good cause as provided by rule.

5 (d) All licenses should be readily available to the public
6 at their place of business.

7 (e) An individual holding an active license as a managing
8 broker may return the license to the Department along with a
9 form provided by the Department and shall be issued a broker's
10 license in exchange. Any individual obtaining a broker's
11 license under this subsection (e) shall be considered as having
12 obtained a broker's license by education and passing the
13 required test and shall be treated as such in determining
14 compliance with this Act.

15 (Source: P.A. 98-531, eff. 8-23-13; 98-1109, eff. 1-1-15.)

16 (225 ILCS 454/5-28)

17 (Section scheduled to be repealed on January 1, 2020)

18 Sec. 5-28. Requirements for licensure as a managing broker.

19 (a) Effective May 1, 2012, every applicant for licensure as
20 a managing broker must meet the following qualifications:

21 (1) be at least 21 years of age;

22 (2) be of good moral character;

23 (3) have been licensed at least 2 out of the preceding
24 3 years as a ~~real estate broker or salesperson~~;

25 (4) successfully complete a 4-year course of study in

1 high school or secondary school approved by the Illinois
2 State Board of Education or an equivalent course of study
3 as determined by an examination conducted by the Illinois
4 State Board of Education, which shall be verified under
5 oath by the applicant;

6 (5) provide satisfactory evidence of having completed
7 at least 165 hours, 120 of which shall be those hours
8 required pre and post-licensure to obtain a broker's
9 license, and 45 additional hours completed within the year
10 immediately preceding the filing of an application for a
11 managing broker's license, which hours shall focus on
12 brokerage administration and management and include at
13 least 15 hours in the classroom or by other interactive
14 delivery method between the instructor and the students;

15 (6) personally take and pass a written examination
16 authorized by the Department; and

17 (7) present a valid application for issuance of a
18 license accompanied by a sponsor card, an appointment as a
19 managing broker, and the fees specified by rule.

20 (b) The requirements specified in item (5) of subsection
21 (a) of this Section do not apply to applicants who are
22 currently admitted to practice law by the Supreme Court of
23 Illinois and are currently in active standing.

24 (c) No applicant shall act as a managing broker for more
25 than 90 days after an appointment as a managing broker has been
26 filed with the Department without obtaining a managing broker's

1 license.

2 (Source: P.A. 98-531, eff. 8-23-13.)

3 (225 ILCS 454/5-32)

4 (Section scheduled to be repealed on January 1, 2020)

5 Sec. 5-32. Real estate auction certification.

6 (a) An auctioneer licensed under the Auction License Act
7 who does not possess a valid and active broker's or managing
8 broker's license under this Act, or who is not otherwise exempt
9 from licensure, may not engage in the practice of auctioning
10 real estate, except as provided in this Section.

11 (b) The Department shall issue a real estate auction
12 certification to applicants who:

13 (1) possess a valid auctioneer's license under the
14 Auction License Act;

15 (2) successfully complete a real estate auction course
16 of at least 30 hours approved by the Department, which
17 shall cover the scope of activities that may be engaged in
18 by a person holding a real estate auction certification and
19 the activities for which a person must hold a real estate
20 license, as well as other material as provided by the
21 Department;

22 (3) provide documentation of the completion of the real
23 estate auction course; and

24 (4) successfully complete any other reasonable
25 requirements as provided by rule.

1 (c) The auctioneer's role shall be limited to establishing
2 the time, place, and method of the real estate auction, placing
3 advertisements regarding the auction, and crying or calling the
4 auction; any other real estate brokerage activities must be
5 performed by a person holding a valid and active ~~real estate~~
6 broker's or managing broker's license under the provisions of
7 this Act or by a person who is exempt from holding a license
8 under paragraph (13) of Section 5-20 who has a certificate
9 under this Section.

10 (d) An auctioneer who conducts any real estate auction
11 activities in violation of this Section is guilty of unlicensed
12 practice under Section 20-10 of this Act.

13 (e) The Department may revoke, suspend, or otherwise
14 discipline the real estate auction certification of an
15 auctioneer who is adjudicated to be in violation of the
16 provisions of this Section or Section 20-15 of the Auction
17 License Act.

18 (f) Advertising for the real estate auction must contain
19 the name and address of the licensed ~~real estate~~ broker,
20 managing broker, or a licensed auctioneer under paragraph (13)
21 of Section 5-20 of this Act who is providing brokerage services
22 for the transaction.

23 (g) The requirement to hold a real estate auction
24 certification shall not apply to a person exempt from this Act
25 under the provisions of paragraph (13) of Section 5-20 of this
26 Act, unless that person is performing licensed activities in a

1 transaction in which a licensed auctioneer with a real estate
2 certification is providing the limited services provided for in
3 subsection (c) of this Section.

4 (h) Nothing in this Section shall require a person licensed
5 under this Act as a ~~real estate~~ broker or managing broker to
6 obtain a real estate auction certification in order to auction
7 real estate.

8 (i) The Department may adopt rules to implement this
9 Section.

10 (Source: P.A. 98-553, eff. 1-1-14; 98-756, eff. 7-16-14.)

11 (225 ILCS 454/5-35)

12 (Section scheduled to be repealed on January 1, 2020)

13 Sec. 5-35. Examination; managing broker, broker,
14 ~~salesperson~~, or leasing agent.

15 (a) The Department shall authorize examinations at such
16 times and places as it may designate. The examination shall be
17 of a character to give a fair test of the qualifications of the
18 applicant to practice as a managing broker, broker,
19 ~~salesperson~~, or leasing agent. Applicants for examination as a
20 managing broker, broker, ~~salesperson~~, or leasing agent shall be
21 required to pay, either to the Department or the designated
22 testing service, a fee covering the cost of providing the
23 examination. Failure to appear for the examination on the
24 scheduled date, at the time and place specified, after the
25 applicant's application for examination has been received and

1 acknowledged by the Department or the designated testing
2 service, shall result in the forfeiture of the examination fee.
3 An applicant shall be eligible to take the examination only
4 after successfully completing the education requirements and
5 attaining the minimum age provided for in Article 5 of this
6 Act. Each applicant shall be required to establish compliance
7 with the eligibility requirements in the manner provided by the
8 rules promulgated for the administration of this Act.

9 (b) If a person who has received a passing score on the
10 written examination described in this Section fails to file an
11 application and meet all requirements for a license under this
12 Act within one year after receiving a passing score on the
13 examination, credit for the examination shall terminate. The
14 person thereafter may make a new application for examination.

15 (c) If an applicant has failed an examination 4 times, the
16 applicant must repeat the pre-license education required to sit
17 for the examination. For the purposes of this Section, the
18 fifth attempt shall be the same as the first. Approved
19 education, as prescribed by this Act for licensure as a
20 ~~salesperson or~~ broker, shall be valid for 4 years after the
21 date of satisfactory completion of the education.

22 (d) The Department may employ consultants for the purposes
23 of preparing and conducting examinations.

24 (Source: P.A. 96-856, eff. 12-31-09.)

1 (Section scheduled to be repealed on January 1, 2020)

2 Sec. 5-41. Change of address. A licensee shall notify the
3 Department of the address or addresses, and of every change of
4 address, where the licensee practices as a leasing agent,
5 ~~salesperson~~, broker or managing broker.

6 (Source: P.A. 96-856, eff. 12-31-09.)

7 (225 ILCS 454/5-50)

8 (Section scheduled to be repealed on January 1, 2020)

9 Sec. 5-50. Expiration and renewal of managing broker,
10 broker, ~~salesperson~~, or leasing agent license; sponsoring
11 broker; register of licensees; pocket card.

12 (a) The expiration date and renewal period for each license
13 issued under this Act shall be set by rule, ~~except that the~~
14 ~~first renewal period ending after the effective date of this~~
15 ~~Act for those licensed as a salesperson shall be extended~~
16 ~~through April 30, 2012.~~ Except as otherwise provided in this
17 Section, the holder of a license may renew the license within
18 90 days preceding the expiration date thereof by completing the
19 continuing education required by this Act and paying the fees
20 specified by rule.

21 (b) An individual whose first license is that of a broker
22 received after April 30, 2011, must provide evidence of having
23 completed 30 hours of post-license education in courses
24 approved by the Advisory Council, 15 hours of which must
25 consist of situational and case studies presented in the

1 classroom or by other interactive delivery method between the
2 instructor and the students, and personally take and pass an
3 examination approved by the Department prior to the first
4 renewal of their broker's license.

5 (c) Any ~~salesperson until April 30, 2011 or any~~ managing
6 broker, broker, or leasing agent whose license under this Act
7 has expired shall be eligible to renew the license during the
8 2-year period following the expiration date, provided the
9 managing broker, broker, salesperson, or leasing agent pays the
10 fees as prescribed by rule and completes continuing education
11 and other requirements provided for by the Act or by rule.
12 Beginning on May 1, 2012, a managing broker licensee, broker,
13 or leasing agent whose license has been expired for more than 2
14 years but less than 5 years may have it restored by (i)
15 applying to the Department, (ii) paying the required fee, (iii)
16 completing the continuing education requirements for the most
17 recent pre-renewal period that ended prior to the date of the
18 application for reinstatement, and (iv) filing acceptable
19 proof of fitness to have his or her license restored, as set by
20 rule. A managing broker, broker, or leasing agent whose license
21 has been expired for more than 5 years shall be required to
22 meet the requirements for a new license.

23 (d) Notwithstanding any other provisions of this Act to the
24 contrary, any managing broker, broker, ~~salesperson,~~ or leasing
25 agent whose license expired while he or she was (i) on active
26 duty with the Armed Forces of the United States or called into

1 service or training by the state militia, (ii) engaged in
2 training or education under the supervision of the United
3 States preliminary to induction into military service, or (iii)
4 serving as the Coordinator of Real Estate in the State of
5 Illinois or as an employee of the Department may have his or
6 her license renewed, reinstated or restored without paying any
7 lapsed renewal fees if within 2 years after the termination of
8 the service, training or education by furnishing the Department
9 with satisfactory evidence of service, training, or education
10 and it has been terminated under honorable conditions.

11 (e) The Department shall establish and maintain a register
12 of all persons currently licensed by the State and shall issue
13 and prescribe a form of pocket card. Upon payment by a licensee
14 of the appropriate fee as prescribed by rule for engagement in
15 the activity for which the licensee is qualified and holds a
16 license for the current period, the Department shall issue a
17 pocket card to the licensee. The pocket card shall be
18 verification that the required fee for the current period has
19 been paid and shall indicate that the person named thereon is
20 licensed for the current renewal period as a managing broker,
21 broker, ~~salesperson~~, or leasing agent as the case may be. The
22 pocket card shall further indicate that the person named
23 thereon is authorized by the Department to engage in the
24 licensed activity appropriate for his or her status (managing
25 broker, broker, ~~salesperson~~, or leasing agent). Each licensee
26 shall carry on his or her person his or her pocket card or, if

1 such pocket card has not yet been issued, a properly issued
2 sponsor card when engaging in any licensed activity and shall
3 display the same on demand.

4 (f) The Department shall provide to the sponsoring broker a
5 notice of renewal for all sponsored licensees by mailing the
6 notice to the sponsoring broker's address of record, or, at the
7 Department's discretion, by an electronic means as provided for
8 by rule.

9 (g) Upon request from the sponsoring broker, the Department
10 shall make available to the sponsoring broker, either by mail
11 or by an electronic means at the discretion of the Department,
12 a listing of licensees under this Act who, according to the
13 records of the Department, are sponsored by that broker. Every
14 licensee associated with or employed by a broker whose license
15 is revoked, suspended, terminated, or expired shall be
16 considered as inoperative until such time as the sponsoring
17 broker's license is reinstated or renewed, or the licensee
18 changes employment as set forth in subsection (c) of Section
19 5-40 of this Act.

20 (Source: P.A. 98-531, eff. 8-23-13.)

21 (225 ILCS 454/5-60)

22 (Section scheduled to be repealed on January 1, 2020)

23 Sec. 5-60. Managing broker licensed in another state;
24 broker licensed in another state; ~~salesperson licensed in~~
25 ~~another state;~~ reciprocal agreements; agent for service of

1 process.

2 (a) Effective May 1, 2011, a managing broker's license may
3 be issued by the Department to a managing broker or its
4 equivalent licensed under the laws of another state of the
5 United States, under the following conditions:

6 (1) the managing broker holds a managing broker's
7 license in a state that has entered into a reciprocal
8 agreement with the Department;

9 (2) the standards for that state for licensing as a
10 managing broker are substantially equal to or greater than
11 the minimum standards in the State of Illinois;

12 (3) the managing broker has been actively practicing as
13 a managing broker in the managing broker's state of
14 licensure for a period of not less than 2 years,
15 immediately prior to the date of application;

16 (4) the managing broker furnishes the Department with a
17 statement under seal of the proper licensing authority of
18 the state in which the managing broker is licensed showing
19 that the managing broker has an active managing broker's
20 license, that the managing broker is in good standing, and
21 that no complaints are pending against the managing broker
22 in that state;

23 (5) the managing broker passes a test on Illinois
24 specific real estate brokerage laws; and

25 (6) the managing broker was licensed by an examination
26 in the state that has entered into a reciprocal agreement

1 with the Department.

2 (b) A broker's license may be issued by the Department to a
3 broker or its equivalent licensed under the laws of another
4 state of the United States, under the following conditions:

5 (1) the broker holds a broker's license in a state that
6 has entered into a reciprocal agreement with the
7 Department;

8 (2) the standards for that state for licensing as a
9 broker are substantially equivalent to or greater than the
10 minimum standards in the State of Illinois;

11 (3) if the application is made prior to May 1, 2012,
12 then the broker has been actively practicing as a broker in
13 the broker's state of licensure for a period of not less
14 than 2 years, immediately prior to the date of application;

15 (4) the broker furnishes the Department with a
16 statement under seal of the proper licensing authority of
17 the state in which the broker is licensed showing that the
18 broker has an active broker's license, that the broker is
19 in good standing, and that no complaints are pending
20 against the broker in that state;

21 (5) the broker passes a test on Illinois specific real
22 estate brokerage laws; and

23 (6) the broker was licensed by an examination in a
24 state that has entered into a reciprocal agreement with the
25 Department.

26 (c) (Blank). ~~Prior to May 1, 2011, a salesperson may, in~~

1 ~~the discretion of the Department, be issued a salesperson's~~
2 ~~license provided all of the following conditions are met:~~

3 ~~(1) the salesperson maintains an active license in the~~
4 ~~state that has entered into a reciprocal agreement with the~~
5 ~~Department;~~

6 ~~(2) the salesperson passes a test on Illinois specific~~
7 ~~real estate brokerage laws; and~~

8 ~~(3) the salesperson was licensed by an examination in~~
9 ~~the state that has entered into a reciprocal agreement with~~
10 ~~the Department.~~

11 ~~The broker with whom the salesperson is associated shall~~
12 ~~comply with the provisions of this Act and issue the~~
13 ~~salesperson a sponsor card upon the form provided by the~~
14 ~~Department.~~

15 (d) As a condition precedent to the issuance of a license
16 to a managing broker, or broker, ~~or salesperson~~ pursuant to
17 this Section, the managing broker or broker ~~salesperson~~ shall
18 agree in writing to abide by all the provisions of this Act
19 with respect to his or her real estate activities within the
20 State of Illinois and submit to the jurisdiction of the
21 Department as provided in this Act. The agreement shall be
22 filed with the Department and shall remain in force for so long
23 as the managing broker, or broker ~~or salesperson~~ is licensed by
24 this State and thereafter with respect to acts or omissions
25 committed while licensed as a managing broker or broker
26 ~~salesperson~~ in this State.

1 (e) Prior to the issuance of any license to any managing
2 broker, or broker, ~~or salesperson licensed~~ pursuant to this
3 Section, verification of active licensure issued for the
4 conduct of such business in any other state must be filed with
5 the Department by the managing broker, or broker, ~~or~~
6 ~~salesperson~~, and the same fees must be paid as provided in this
7 Act for the obtaining of a managing broker's, or broker's ~~or~~
8 ~~salesperson's~~ license in this State.

9 (f) Licenses previously granted under reciprocal
10 agreements with other states shall remain in force so long as
11 the Department has a reciprocal agreement with the state that
12 includes the requirements of this Section, unless that license
13 is suspended, revoked, or terminated by the Department for any
14 reason provided for suspension, revocation, or termination of a
15 resident licensee's license. Licenses granted under reciprocal
16 agreements may be renewed in the same manner as a resident's
17 license.

18 (g) Prior to the issuance of a license to a nonresident
19 managing broker, or broker ~~or salesperson~~, the managing broker,
20 or broker ~~or salesperson~~ shall file with the Department a
21 designation in writing that appoints the Secretary to act as
22 his or her agent upon whom all judicial and other process or
23 legal notices directed to the managing broker, or broker ~~or~~
24 ~~salesperson~~ may be served. Service upon the agent so designated
25 shall be equivalent to personal service upon the licensee.
26 Copies of the appointment, certified by the Secretary, shall be

1 deemed sufficient evidence thereof and shall be admitted in
2 evidence with the same force and effect as the original thereof
3 might be admitted. In the written designation, the managing
4 broker, or broker ~~or salesperson~~ shall agree that any lawful
5 process against the licensee that is served upon the agent
6 shall be of the same legal force and validity as if served upon
7 the licensee and that the authority shall continue in force so
8 long as any liability remains outstanding in this State. Upon
9 the receipt of any process or notice, the Secretary shall
10 forthwith mail a copy of the same by certified mail to the last
11 known business address of the licensee.

12 (h) Any person holding a valid license under this Section
13 shall be eligible to obtain a ~~resident~~ managing broker's
14 license, or a broker's license, ~~or, prior to May 1, 2011, a~~
15 ~~salesperson's license~~ without examination should that person
16 change their state of domicile to Illinois and that person
17 otherwise meets the qualifications for licensure under this
18 Act.

19 (Source: P.A. 96-856, eff. 12-31-09.)

20 (225 ILCS 454/5-70)

21 (Section scheduled to be repealed on January 1, 2020)

22 Sec. 5-70. Continuing education requirement; managing
23 broker, or broker, ~~or salesperson~~.

24 (a) The requirements of this Section apply to all managing
25 brokers, and brokers, ~~and salespersons~~.

1 (b) Except as otherwise provided in this Section, each
2 person who applies for renewal of his or her license as a
3 managing broker, or ~~real estate broker, or real estate~~
4 ~~salesperson~~ must successfully complete 6 hours of real estate
5 continuing education courses approved by the Advisory Council
6 for each year of the pre-renewal period. ~~Broker licensees must~~
7 ~~successfully complete a 6 hour broker management continuing~~
8 ~~education course approved by the Department for the pre renewal~~
9 ~~period ending April 30, 2010.~~ In addition, beginning with the
10 pre-renewal period for managing broker licensees that begins
11 after the effective date of this Act, those licensees renewing
12 or obtaining a managing broker's license must successfully
13 complete a 12-hour broker management continuing education
14 course approved by the Department each pre-renewal period. The
15 broker management continuing education course must be
16 completed in the classroom or by other interactive delivery
17 method between the instructor and the students. Successful
18 completion of the course shall include achieving a passing
19 score as provided by rule on a test developed and administered
20 in accordance with rules adopted by the Department. No license
21 may be renewed except upon the successful completion of the
22 required courses or their equivalent or upon a waiver of those
23 requirements for good cause shown as determined by the
24 Secretary with the recommendation of the Advisory Council. The
25 requirements of this Article are applicable to all managing
26 brokers, and ~~brokers, and salespersons~~ except those managing

1 brokers and brokers ~~salespersons~~ who, during the pre-renewal
2 period:

- 3 (1) serve in the armed services of the United States;
4 (2) serve as an elected State or federal official;
5 (3) serve as a full-time employee of the Department; or
6 (4) are admitted to practice law pursuant to Illinois
7 Supreme Court rule.

8 (c) (Blank). ~~A person licensed as a salesperson as of April~~
9 ~~30, 2011 shall not be required to complete the 18 hours of~~
10 ~~continuing education for the pre renewal period ending April~~
11 ~~30, 2012 if that person takes the 30-hour post-licensing course~~
12 ~~to obtain a broker's license. A person licensed as a broker as~~
13 ~~of April 30, 2011 shall not be required to complete the 12~~
14 ~~hours of broker management continuing education for the~~
15 ~~pre-renewal period ending April 30, 2012, unless that person~~
16 ~~passes the proficiency exam provided for in Section 5-47 of~~
17 ~~this Act to qualify for a managing broker's license.~~

18 (d) A person receiving an initial license during the 90
19 days before the renewal date shall not be required to complete
20 the continuing education courses provided for in subsection (b)
21 of this Section as a condition of initial license renewal.

22 (e) The continuing education requirement for ~~salespersons,~~
23 brokers and managing brokers shall consist of a core curriculum
24 and an elective curriculum, to be established by the Advisory
25 Council. In meeting the continuing education requirements of
26 this Act, at least 3 hours per year or their equivalent, 6

1 hours for each two-year pre-renewal period, shall be required
2 to be completed in the core curriculum. In establishing the
3 core curriculum, the Advisory Council shall consider subjects
4 that will educate licensees on recent changes in applicable
5 laws and new laws and refresh the licensee on areas of the
6 license law and the Department policy that the Advisory Council
7 deems appropriate, and any other areas that the Advisory
8 Council deems timely and applicable in order to prevent
9 violations of this Act and to protect the public. In
10 establishing the elective curriculum, the Advisory Council
11 shall consider subjects that cover the various aspects of the
12 practice of real estate that are covered under the scope of
13 this Act. However, the elective curriculum shall not include
14 any offerings referred to in Section 5-85 of this Act.

15 (f) The subject areas of continuing education courses
16 approved by the Advisory Council may include without limitation
17 the following:

- 18 (1) license law and escrow;
- 19 (2) antitrust;
- 20 (3) fair housing;
- 21 (4) agency;
- 22 (5) appraisal;
- 23 (6) property management;
- 24 (7) residential brokerage;
- 25 (8) farm property management;
- 26 (9) rights and duties of sellers, buyers, and brokers;

1 (10) commercial brokerage and leasing; and

2 (11) real estate financing.

3 (g) In lieu of credit for those courses listed in
4 subsection (f) of this Section, credit may be earned for
5 serving as a licensed instructor in an approved course of
6 continuing education. The amount of credit earned for teaching
7 a course shall be the amount of continuing education credit for
8 which the course is approved for licensees taking the course.

9 (h) Credit hours may be earned for self-study programs
10 approved by the Advisory Council.

11 (i) A managing broker or broker ~~salesperson~~ may earn credit
12 for a specific continuing education course only once during the
13 prerenewal period.

14 (j) No more than 6 hours of continuing education credit may
15 be taken or earned in one calendar day.

16 (k) To promote the offering of a uniform and consistent
17 course content, the Department may provide for the development
18 of a single broker management course to be offered by all
19 continuing education providers who choose to offer the broker
20 management continuing education course. The Department may
21 contract for the development of the 12-hour broker management
22 continuing education course with an outside vendor or
23 consultant and, if the course is developed in this manner, the
24 Department or the outside consultant shall license the use of
25 that course to all approved continuing education providers who
26 wish to provide the course.

1 (1) Except as specifically provided in this Act, continuing
2 education credit hours may not be earned for completion of pre
3 or post-license courses. The approved 30-hour post-license
4 course for broker licensees shall satisfy the continuing
5 education requirement for the pre-renewal period in which the
6 course is taken. The approved 45-hour brokerage administration
7 and management course shall satisfy the 12-hour broker
8 management continuing education requirement for the
9 pre-renewal period in which the course is taken.

10 (Source: P.A. 97-1002, eff. 8-17-12; 98-531, eff. 8-23-13.)

11 (225 ILCS 454/10-10)

12 (Section scheduled to be repealed on January 1, 2020)

13 Sec. 10-10. Disclosure of compensation.

14 (a) A licensee must disclose to a client the sponsoring
15 broker's compensation and policy with regard to cooperating
16 with brokers who represent other parties in a transaction.

17 (b) A licensee must disclose to a client all sources of
18 compensation related to the transaction received by the
19 licensee from a third party.

20 (c) If a licensee refers a client to a third party in which
21 the licensee has greater than a 1% ownership interest or from
22 which the licensee receives or may receive dividends or other
23 profit sharing distributions, other than a publicly held or
24 traded company, for the purpose of the client obtaining
25 services related to the transaction, then the licensee shall

1 disclose that fact to the client at the time of making the
2 referral.

3 (d) If in any one transaction a sponsoring broker receives
4 compensation from both the buyer and seller or lessee and
5 lessor of real estate, the sponsoring broker shall disclose in
6 writing to a client the fact that the compensation is being
7 paid by both buyer and seller or lessee and lessor.

8 (e) Nothing in the Act shall prohibit the cooperation with
9 or a payment of compensation to a person not domiciled in this
10 State or country who is licensed as a ~~real estate~~ broker in his
11 or her state or country of domicile or to a resident of a
12 country that does not require a person to be licensed to act as
13 a ~~real estate~~ broker if the person complies with the laws of
14 the country in which that person resides and practices there as
15 a ~~real estate~~ broker.

16 (Source: P.A. 91-245, eff. 12-31-99; 92-217, eff. 8-2-01.)

17 (225 ILCS 454/10-15)

18 (Section scheduled to be repealed on January 1, 2020)

19 Sec. 10-15. No compensation to persons in violation of Act;
20 compensation to unlicensed persons; consumer.

21 (a) No compensation may be paid to any unlicensed person in
22 exchange for the person performing licensed activities in
23 violation of this Act.

24 (b) No action or suit shall be instituted, nor recovery
25 therein be had, in any court of this State by any person,

1 partnership, registered limited liability partnership, limited
2 liability company, or corporation for compensation for any act
3 done or service performed, the doing or performing of which is
4 prohibited by this Act to other than licensed managing brokers,
5 brokers, ~~salespersons,~~ or leasing agents unless the person,
6 partnership, registered limited liability partnership, limited
7 liability company, or corporation was duly licensed hereunder
8 as a managing broker, broker, ~~salesperson,~~ or leasing agent
9 under this Act at the time that any such act was done or
10 service performed that would give rise to a cause of action for
11 compensation.

12 (c) A licensee may offer compensation, including prizes,
13 merchandise, services, rebates, discounts, or other
14 consideration to an unlicensed person who is a party to a
15 contract to buy or sell real estate or is a party to a contract
16 for the lease of real estate, so long as the offer complies
17 with the provisions of subdivision (35) of subsection (a) of
18 Section 20-20 of this Act.

19 (d) A licensee may offer cash, gifts, prizes, awards,
20 coupons, merchandise, rebates or chances to win a game of
21 chance, if not prohibited by any other law or statute, to a
22 consumer as an inducement to that consumer to use the services
23 of the licensee even if the licensee and consumer do not
24 ultimately enter into a broker-client relationship so long as
25 the offer complies with the provisions of subdivision (35) of
26 subsection (a) of Section 20-20 of this Act.

1 (Source: P.A. 96-856, eff. 12-31-09.)

2 (225 ILCS 454/15-5)

3 (Section scheduled to be repealed on January 1, 2020)

4 Sec. 15-5. Legislative intent.

5 (a) The General Assembly finds that application of the
6 common law of agency to the relationships among managing ~~real~~
7 ~~estate~~ brokers and brokers ~~salespersons~~ and consumers of real
8 estate brokerage services has resulted in misunderstandings
9 and consequences that have been contrary to the best interests
10 of the public. The General Assembly further finds that the real
11 estate brokerage industry has a significant impact upon the
12 economy of the State of Illinois and that it is in the best
13 interest of the public to provide codification of the
14 relationships between managing ~~real-estate~~ brokers and brokers
15 ~~salespersons~~ and consumers of real estate brokerage services in
16 order to prevent detrimental misunderstandings and
17 misinterpretations of the relationships by consumers, managing
18 ~~real-estate~~ brokers, and brokers ~~salespersons~~ and thus promote
19 and provide stability in the real estate market. This Article
20 15 is enacted to govern the relationships between consumers of
21 real estate brokerage services and managing ~~real-estate~~ brokers
22 and brokers ~~salespersons~~ to the extent not governed by an
23 individual written agreement between a sponsoring broker and a
24 consumer, providing that there is a relationship other than
25 designated agency. This Article 15 applies to the exclusion of

1 the common law concepts of principal and agent and to the
2 fiduciary duties, which have been applied to managing ~~real~~
3 ~~estate~~ brokers, brokers ~~salespersons~~, and real estate
4 brokerage services.

5 (b) The General Assembly further finds that this Article 15
6 is not intended to prescribe or affect contractual
7 relationships between managing brokers and ~~real estate~~ brokers
8 and the broker's affiliated licensees.

9 (c) This Article 15 may serve as a basis for private rights
10 of action and defenses by sellers, buyers, landlords, tenants,
11 managing brokers, and ~~real estate~~ brokers, ~~and real estate~~
12 ~~salespersons~~. The private rights of action, however, do not
13 extend to the provisions of any other Articles of this Act.

14 (Source: P.A. 91-245, eff. 12-31-99.)

15 (225 ILCS 454/20-10)

16 (Section scheduled to be repealed on January 1, 2020)

17 Sec. 20-10. Unlicensed practice; civil penalty.

18 (a) Any person who practices, offers to practice, attempts
19 to practice, or holds oneself out to practice as a managing
20 ~~real estate~~ broker, broker ~~real estate~~ salesperson, or leasing
21 agent without being licensed under this Act shall, in addition
22 to any other penalty provided by law, pay a civil penalty to
23 the Department in an amount not to exceed \$25,000 for each
24 offense as determined by the Department. The civil penalty
25 shall be assessed by the Department after a hearing is held in

1 accordance with the provisions set forth in this Act regarding
2 the provision of a hearing for the discipline of a license.

3 (b) The Department has the authority and power to
4 investigate any and all unlicensed activity.

5 (c) The civil penalty shall be paid within 60 days after
6 the effective date of the order imposing the civil penalty. The
7 order shall constitute a judgment and may be filed and
8 execution had thereon in the same manner from any court of
9 record.

10 (Source: P.A. 96-856, eff. 12-31-09.)

11 (225 ILCS 454/20-20)

12 (Section scheduled to be repealed on January 1, 2020)

13 Sec. 20-20. Grounds for discipline.

14 (a) The Department may refuse to issue or renew a license,
15 may place on probation, suspend, or revoke any license,
16 reprimand, or take any other disciplinary or non-disciplinary
17 action as the Department may deem proper and impose a fine not
18 to exceed \$25,000 upon any licensee or applicant under this Act
19 or any person who holds himself or herself out as an applicant
20 or licensee or against a licensee in handling his or her own
21 property, whether held by deed, option, or otherwise, for any
22 one or any combination of the following causes:

23 (1) Fraud or misrepresentation in applying for, or
24 procuring, a license under this Act or in connection with
25 applying for renewal of a license under this Act.

1 (2) The conviction of or plea of guilty or plea of nolo
2 contendere to a felony or misdemeanor in this State or any
3 other jurisdiction; or the entry of an administrative
4 sanction by a government agency in this State or any other
5 jurisdiction. Action taken under this paragraph (2) for a
6 misdemeanor or an administrative sanction is limited to a
7 misdemeanor or administrative sanction that has as an
8 essential element dishonesty or fraud or involves larceny,
9 embezzlement, or obtaining money, property, or credit by
10 false pretenses or by means of a confidence game.

11 (3) Inability to practice the profession with
12 reasonable judgment, skill, or safety as a result of a
13 physical illness, including, but not limited to,
14 deterioration through the aging process or loss of motor
15 skill, or a mental illness or disability.

16 (4) Practice under this Act as a licensee in a retail
17 sales establishment from an office, desk, or space that is
18 not separated from the main retail business by a separate
19 and distinct area within the establishment.

20 (5) Having been disciplined by another state, the
21 District of Columbia, a territory, a foreign nation, or a
22 governmental agency authorized to impose discipline if at
23 least one of the grounds for that discipline is the same as
24 or the equivalent of one of the grounds for which a
25 licensee may be disciplined under this Act. A certified
26 copy of the record of the action by the other state or

1 jurisdiction shall be prima facie evidence thereof.

2 (6) Engaging in the practice of real estate brokerage
3 without a license or after the licensee's license was
4 expired or while the license was inoperative.

5 (7) Cheating on or attempting to subvert the Real
6 Estate License Exam or continuing education exam.

7 (8) Aiding or abetting an applicant to subvert or cheat
8 on the Real Estate License Exam or continuing education
9 exam administered pursuant to this Act.

10 (9) Advertising that is inaccurate, misleading, or
11 contrary to the provisions of the Act.

12 (10) Making any substantial misrepresentation or
13 untruthful advertising.

14 (11) Making any false promises of a character likely to
15 influence, persuade, or induce.

16 (12) Pursuing a continued and flagrant course of
17 misrepresentation or the making of false promises through
18 licensees, employees, agents, advertising, or otherwise.

19 (13) Any misleading or untruthful advertising, or
20 using any trade name or insignia of membership in any real
21 estate organization of which the licensee is not a member.

22 (14) Acting for more than one party in a transaction
23 without providing written notice to all parties for whom
24 the licensee acts.

25 (15) Representing or attempting to represent a broker
26 other than the sponsoring broker.

1 (16) Failure to account for or to remit any moneys or
2 documents coming into his or her possession that belong to
3 others.

4 (17) Failure to maintain and deposit in a special
5 account, separate and apart from personal and other
6 business accounts, all escrow moneys belonging to others
7 entrusted to a licensee while acting as a ~~real-estate~~
8 broker, escrow agent, or temporary custodian of the funds
9 of others or failure to maintain all escrow moneys on
10 deposit in the account until the transactions are
11 consummated or terminated, except to the extent that the
12 moneys, or any part thereof, shall be:

13 (A) disbursed prior to the consummation or
14 termination (i) in accordance with the written
15 direction of the principals to the transaction or their
16 duly authorized agents, (ii) in accordance with
17 directions providing for the release, payment, or
18 distribution of escrow moneys contained in any written
19 contract signed by the principals to the transaction or
20 their duly authorized agents, or (iii) pursuant to an
21 order of a court of competent jurisdiction; or

22 (B) deemed abandoned and transferred to the Office
23 of the State Treasurer to be handled as unclaimed
24 property pursuant to the Uniform Disposition of
25 Unclaimed Property Act. Escrow moneys may be deemed
26 abandoned under this subparagraph (B) only: (i) in the

1 absence of disbursement under subparagraph (A); (ii)
2 in the absence of notice of the filing of any claim in
3 a court of competent jurisdiction; and (iii) if 6
4 months have elapsed after the receipt of a written
5 demand for the escrow moneys from one of the principals
6 to the transaction or the principal's duly authorized
7 agent.

8 The account shall be noninterest bearing, unless the
9 character of the deposit is such that payment of interest
10 thereon is otherwise required by law or unless the
11 principals to the transaction specifically require, in
12 writing, that the deposit be placed in an interest bearing
13 account.

14 (18) Failure to make available to the Department all
15 escrow records and related documents maintained in
16 connection with the practice of real estate within 24 hours
17 of a request for those documents by Department personnel.

18 (19) Failing to furnish copies upon request of
19 documents relating to a real estate transaction to a party
20 who has executed that document.

21 (20) Failure of a sponsoring broker to timely provide
22 information, sponsor cards, or termination of licenses to
23 the Department.

24 (21) Engaging in dishonorable, unethical, or
25 unprofessional conduct of a character likely to deceive,
26 defraud, or harm the public.

1 (22) Commingling the money or property of others with
2 his or her own money or property.

3 (23) Employing any person on a purely temporary or
4 single deal basis as a means of evading the law regarding
5 payment of commission to nonlicensees on some contemplated
6 transactions.

7 (24) Permitting the use of his or her license as a
8 broker to enable a leasing agent ~~salesperson~~ or unlicensed
9 person to operate a real estate business without actual
10 participation therein and control thereof by the broker.

11 (25) Any other conduct, whether of the same or a
12 different character from that specified in this Section,
13 that constitutes dishonest dealing.

14 (26) Displaying a "for rent" or "for sale" sign on any
15 property without the written consent of an owner or his or
16 her duly authorized agent or advertising by any means that
17 any property is for sale or for rent without the written
18 consent of the owner or his or her authorized agent.

19 (27) Failing to provide information requested by the
20 Department, or otherwise respond to that request, within 30
21 days of the request.

22 (28) Advertising by means of a blind advertisement,
23 except as otherwise permitted in Section 10-30 of this Act.

24 (29) Offering guaranteed sales plans, as defined in
25 clause (A) of this subdivision (29), except to the extent
26 hereinafter set forth:

1 (A) A "guaranteed sales plan" is any real estate
2 purchase or sales plan whereby a licensee enters into a
3 conditional or unconditional written contract with a
4 seller, prior to entering into a brokerage agreement
5 with the seller, by the terms of which a licensee
6 agrees to purchase a property of the seller within a
7 specified period of time at a specific price in the
8 event the property is not sold in accordance with the
9 terms of a brokerage agreement to be entered into
10 between the sponsoring broker and the seller.

11 (B) A licensee offering a guaranteed sales plan
12 shall provide the details and conditions of the plan in
13 writing to the party to whom the plan is offered.

14 (C) A licensee offering a guaranteed sales plan
15 shall provide to the party to whom the plan is offered
16 evidence of sufficient financial resources to satisfy
17 the commitment to purchase undertaken by the broker in
18 the plan.

19 (D) Any licensee offering a guaranteed sales plan
20 shall undertake to market the property of the seller
21 subject to the plan in the same manner in which the
22 broker would market any other property, unless the
23 agreement with the seller provides otherwise.

24 (E) The licensee cannot purchase seller's property
25 until the brokerage agreement has ended according to
26 its terms or is otherwise terminated.

1 (F) Any licensee who fails to perform on a
2 guaranteed sales plan in strict accordance with its
3 terms shall be subject to all the penalties provided in
4 this Act for violations thereof and, in addition, shall
5 be subject to a civil fine payable to the party injured
6 by the default in an amount of up to \$25,000.

7 (30) Influencing or attempting to influence, by any
8 words or acts, a prospective seller, purchaser, occupant,
9 landlord, or tenant of real estate, in connection with
10 viewing, buying, or leasing real estate, so as to promote
11 or tend to promote the continuance or maintenance of
12 racially and religiously segregated housing or so as to
13 retard, obstruct, or discourage racially integrated
14 housing on or in any street, block, neighborhood, or
15 community.

16 (31) Engaging in any act that constitutes a violation
17 of any provision of Article 3 of the Illinois Human Rights
18 Act, whether or not a complaint has been filed with or
19 adjudicated by the Human Rights Commission.

20 (32) Inducing any party to a contract of sale or lease
21 or brokerage agreement to break the contract of sale or
22 lease or brokerage agreement for the purpose of
23 substituting, in lieu thereof, a new contract for sale or
24 lease or brokerage agreement with a third party.

25 (33) Negotiating a sale, exchange, or lease of real
26 estate directly with any person if the licensee knows that

1 the person has an exclusive brokerage agreement with
2 another broker, unless specifically authorized by that
3 broker.

4 (34) When a licensee is also an attorney, acting as the
5 attorney for either the buyer or the seller in the same
6 transaction in which the licensee is acting or has acted as
7 a managing broker or broker ~~salesperson~~.

8 (35) Advertising or offering merchandise or services
9 as free if any conditions or obligations necessary for
10 receiving the merchandise or services are not disclosed in
11 the same advertisement or offer. These conditions or
12 obligations include without limitation the requirement
13 that the recipient attend a promotional activity or visit a
14 real estate site. As used in this subdivision (35), "free"
15 includes terms such as "award", "prize", "no charge", "free
16 of charge", "without charge", and similar words or phrases
17 that reasonably lead a person to believe that he or she may
18 receive or has been selected to receive something of value,
19 without any conditions or obligations on the part of the
20 recipient.

21 (36) Disregarding or violating any provision of the
22 Land Sales Registration Act of 1989, the Illinois Real
23 Estate Time-Share Act, or the published rules promulgated
24 by the Department to enforce those Acts.

25 (37) Violating the terms of a disciplinary order issued
26 by the Department.

1 (38) Paying or failing to disclose compensation in
2 violation of Article 10 of this Act.

3 (39) Requiring a party to a transaction who is not a
4 client of the licensee to allow the licensee to retain a
5 portion of the escrow moneys for payment of the licensee's
6 commission or expenses as a condition for release of the
7 escrow moneys to that party.

8 (40) Disregarding or violating any provision of this
9 Act or the published rules promulgated by the Department to
10 enforce this Act or aiding or abetting any individual,
11 partnership, registered limited liability partnership,
12 limited liability company, or corporation in disregarding
13 any provision of this Act or the published rules
14 promulgated by the Department to enforce this Act.

15 (41) Failing to provide the minimum services required
16 by Section 15-75 of this Act when acting under an exclusive
17 brokerage agreement.

18 (42) Habitual or excessive use or addiction to alcohol,
19 narcotics, stimulants, or any other chemical agent or drug
20 that results in a managing broker, broker, ~~salesperson,~~ or
21 leasing agent's inability to practice with reasonable
22 skill or safety.

23 (43) Enabling, aiding, or abetting an auctioneer, as
24 defined in the Auction License Act, to conduct a real
25 estate auction in a manner that is in violation of this
26 Act.

1 (b) The Department may refuse to issue or renew or may
2 suspend the license of any person who fails to file a return,
3 pay the tax, penalty or interest shown in a filed return, or
4 pay any final assessment of tax, penalty, or interest, as
5 required by any tax Act administered by the Department of
6 Revenue, until such time as the requirements of that tax Act
7 are satisfied in accordance with subsection (g) of Section
8 2105-15 of the Civil Administrative Code of Illinois.

9 (c) The Department shall deny a license or renewal
10 authorized by this Act to a person who has defaulted on an
11 educational loan or scholarship provided or guaranteed by the
12 Illinois Student Assistance Commission or any governmental
13 agency of this State in accordance with item (5) of subsection
14 (a) of Section 2105-15 of the Civil Administrative Code of
15 Illinois.

16 (d) In cases where the Department of Healthcare and Family
17 Services (formerly Department of Public Aid) has previously
18 determined that a licensee or a potential licensee is more than
19 30 days delinquent in the payment of child support and has
20 subsequently certified the delinquency to the Department may
21 refuse to issue or renew or may revoke or suspend that person's
22 license or may take other disciplinary action against that
23 person based solely upon the certification of delinquency made
24 by the Department of Healthcare and Family Services in
25 accordance with item (5) of subsection (a) of Section 2105-15
26 of the Civil Administrative Code of Illinois.

1 (e) In enforcing this Section, the Department or Board upon
2 a showing of a possible violation may compel an individual
3 licensed to practice under this Act, or who has applied for
4 licensure under this Act, to submit to a mental or physical
5 examination, or both, as required by and at the expense of the
6 Department. The Department or Board may order the examining
7 physician to present testimony concerning the mental or
8 physical examination of the licensee or applicant. No
9 information shall be excluded by reason of any common law or
10 statutory privilege relating to communications between the
11 licensee or applicant and the examining physician. The
12 examining physicians shall be specifically designated by the
13 Board or Department. The individual to be examined may have, at
14 his or her own expense, another physician of his or her choice
15 present during all aspects of this examination. Failure of an
16 individual to submit to a mental or physical examination, when
17 directed, shall be grounds for suspension of his or her license
18 until the individual submits to the examination if the
19 Department finds, after notice and hearing, that the refusal to
20 submit to the examination was without reasonable cause.

21 If the Department or Board finds an individual unable to
22 practice because of the reasons set forth in this Section, the
23 Department or Board may require that individual to submit to
24 care, counseling, or treatment by physicians approved or
25 designated by the Department or Board, as a condition, term, or
26 restriction for continued, reinstated, or renewed licensure to

1 practice; or, in lieu of care, counseling, or treatment, the
2 Department may file, or the Board may recommend to the
3 Department to file, a complaint to immediately suspend, revoke,
4 or otherwise discipline the license of the individual. An
5 individual whose license was granted, continued, reinstated,
6 renewed, disciplined or supervised subject to such terms,
7 conditions, or restrictions, and who fails to comply with such
8 terms, conditions, or restrictions, shall be referred to the
9 Secretary for a determination as to whether the individual
10 shall have his or her license suspended immediately, pending a
11 hearing by the Department.

12 In instances in which the Secretary immediately suspends a
13 person's license under this Section, a hearing on that person's
14 license must be convened by the Department within 30 days after
15 the suspension and completed without appreciable delay. The
16 Department and Board shall have the authority to review the
17 subject individual's record of treatment and counseling
18 regarding the impairment to the extent permitted by applicable
19 federal statutes and regulations safeguarding the
20 confidentiality of medical records.

21 An individual licensed under this Act and affected under
22 this Section shall be afforded an opportunity to demonstrate to
23 the Department or Board that he or she can resume practice in
24 compliance with acceptable and prevailing standards under the
25 provisions of his or her license.

26 (Source: P.A. 97-813, eff. 7-13-12; 97-1002, eff. 8-17-12;

1 98-553, eff. 1-1-14; 98-756, eff. 7-16-14.)

2 (225 ILCS 454/20-21)

3 (Section scheduled to be repealed on January 1, 2020)

4 Sec. 20-21. Injunctions; cease and desist order.

5 (a) If any person violates the provisions of this Act, the
6 Secretary may, in the name of the People of the State of
7 Illinois, through the Attorney General of the State of Illinois
8 or the State's Attorney for any county in which the action is
9 brought, petition for an order enjoining the violation or for
10 an order enforcing compliance with this Act. Upon the filing of
11 a verified petition in court, the court may issue a temporary
12 restraining order, without notice or condition, and may
13 preliminarily and permanently enjoin the violation. If it is
14 established that the person has violated or is violating the
15 injunction, the Court may punish the offender for contempt of
16 court. Proceedings under this Section shall be in addition to,
17 and not in lieu of, all other remedies and penalties provided
18 by this Act.

19 (b) Whenever in the opinion of the Department a person
20 violates a provision of this Act, the Department may issue a
21 ruling to show cause why an order to cease and desist should
22 not be entered against that person. The rule shall clearly set
23 forth the grounds relied upon by the Department and shall allow
24 at least 7 days from the date of the rule to file an answer to
25 the satisfaction of the Department. Failure to answer to the

1 satisfaction of the Department shall cause an order to cease
2 and desist to be issued immediately.

3 (c) Other than as provided in Section 5-20 of this Act, if
4 any person practices as a managing ~~real estate~~ broker, broker,
5 ~~real estate salesperson~~ or leasing agent or holds himself or
6 herself out as a licensed sponsoring broker, managing broker,
7 ~~real estate~~ broker, ~~real estate salesperson~~ or leasing agent
8 under this Act without being issued a valid existing license by
9 the Department, then any licensed sponsoring broker, managing
10 broker, ~~real estate~~ broker, ~~real estate salesperson~~, leasing
11 agent, any interested party, or any person injured thereby may,
12 in addition to the Secretary, petition for relief as provided
13 in subsection (a) of this Section.

14 (Source: P.A. 96-856, eff. 12-31-09.)

15 (225 ILCS 454/20-22)

16 (Section scheduled to be repealed on January 1, 2020)

17 Sec. 20-22. Violations. Any person who is found working or
18 acting as a managing broker, ~~real estate~~ broker, ~~real estate~~
19 ~~salesperson~~, or leasing agent or holding himself or herself out
20 as a licensed sponsoring broker, managing broker, ~~real estate~~
21 broker, ~~real estate salesperson~~, or leasing agent without being
22 issued a valid existing license is guilty of a Class A
23 misdemeanor and on conviction of a second or subsequent offense
24 the violator shall be guilty of a Class 4 felony.

25 (Source: P.A. 96-856, eff. 12-31-09.)

1 (225 ILCS 454/20-85)

2 (Section scheduled to be repealed on January 1, 2020)

3 Sec. 20-85. Recovery from Real Estate Recovery Fund. The
4 Department shall maintain a Real Estate Recovery Fund from
5 which any person aggrieved by an act, representation,
6 transaction, or conduct of a licensee or unlicensed employee of
7 a licensee that is in violation of this Act or the rules
8 promulgated pursuant thereto, constitutes embezzlement of
9 money or property, or results in money or property being
10 unlawfully obtained from any person by false pretenses,
11 artifice, trickery, or forgery or by reason of any fraud,
12 misrepresentation, discrimination, or deceit by or on the part
13 of any such licensee or the unlicensed employee of a licensee
14 and that results in a loss of actual cash money, as opposed to
15 losses in market value, rent, or security deposits, may
16 recover. The aggrieved person may recover, by a post-judgment
17 order of the circuit court of the county where the violation
18 occurred in a proceeding described in Section 20-90 of this
19 Act, an amount of not more than \$25,000 from the Fund for
20 damages sustained by the act, representation, transaction, or
21 conduct, together with costs of suit and attorney's fees
22 incurred in connection therewith of not to exceed 15% of the
23 amount of the recovery ordered paid from the Fund. However, no
24 person licensee may recover from the Fund unless the court
25 finds that the person suffered a loss resulting from

1 intentional misconduct. The post-judgment order shall not
2 include interest on the judgment. The maximum liability against
3 the Fund arising out of any one act shall be as provided in
4 this Section, and the post-judgment order shall spread the
5 award equitably among all co-owners or otherwise aggrieved
6 persons, if any. The maximum liability against the Fund arising
7 out of the activities of any one licensee or one unlicensed
8 employee of a licensee, since January 1, 1974, shall be
9 \$100,000. Nothing in this Section shall be construed to
10 authorize recovery from the Fund unless the loss of the
11 aggrieved person results from an act or omission of a licensee
12 under this Act who was at the time of the act or omission
13 acting in such capacity or was apparently acting in such
14 capacity or their unlicensed employee and unless the aggrieved
15 person has obtained a valid judgment and post-judgment order of
16 the court as provided for in Section 20-90 of this Act. No
17 person aggrieved by an act, representation, or transaction that
18 is in violation of the Illinois Real Estate Time-Share Act or
19 the Land Sales Registration Act of 1989 may recover from the
20 Fund.

21 (Source: P.A. 96-856, eff. 12-31-09; 97-1002, eff. 8-17-12.)

22 (225 ILCS 454/25-10)

23 (Section scheduled to be repealed on January 1, 2020)

24 Sec. 25-10. Real Estate Administration and Disciplinary
25 Board; duties. There is created the Real Estate Administration

1 and Disciplinary Board. The Board shall be composed of 9
2 persons appointed by the Governor. Members shall be appointed
3 to the Board subject to the following conditions:

4 (1) All members shall have been residents and citizens
5 of this State for at least 6 years prior to the date of
6 appointment.

7 (2) Six members shall have been actively engaged as
8 managing brokers or brokers ~~salespersons~~ or both for at
9 least the 10 years prior to the appointment.

10 (3) Three members of the Board shall be public members
11 who represent consumer interests.

12 None of these members shall be (i) a person who is licensed
13 under this Act or a similar Act of another jurisdiction, (ii)
14 the spouse or family member of a licensee, (iii) a person who
15 has an ownership interest in a real estate brokerage business,
16 or (iv) a person the Department determines to have any other
17 connection with a real estate brokerage business or a licensee.
18 The members' terms shall be 4 years or until their successor is
19 appointed, and the expiration of their terms shall be
20 staggered. Appointments to fill vacancies shall be for the
21 unexpired portion of the term. The membership of the Board
22 should reasonably reflect the geographic distribution of the
23 licensee population in this State. In making the appointments,
24 the Governor shall give due consideration to the
25 recommendations by members and organizations of the
26 profession. The Governor may terminate the appointment of any

1 member for cause that in the opinion of the Governor reasonably
2 justifies the termination. Cause for termination shall include
3 without limitation misconduct, incapacity, neglect of duty, or
4 missing 4 board meetings during any one calendar year. Each
5 member of the Board may receive a per diem stipend in an amount
6 to be determined by the Secretary. Each member shall be paid
7 his or her necessary expenses while engaged in the performance
8 of his or her duties. Such compensation and expenses shall be
9 paid out of the Real Estate License Administration Fund. The
10 Secretary shall consider the recommendations of the Board on
11 questions involving standards of professional conduct,
12 discipline, and examination of candidates under this Act. The
13 Department, after notifying and considering the
14 recommendations of the Board, if any, may issue rules,
15 consistent with the provisions of this Act, for the
16 administration and enforcement thereof and may prescribe forms
17 that shall be used in connection therewith. Five Board members
18 shall constitute a quorum. A quorum is required for all Board
19 decisions.

20 (Source: P.A. 98-1109, eff. 1-1-15.)

21 (225 ILCS 454/25-25)

22 (Section scheduled to be repealed on January 1, 2020)

23 Sec. 25-25. Real Estate Research and Education Fund. A
24 special fund to be known as the Real Estate Research and
25 Education Fund is created and shall be held in trust in the

1 State Treasury. Annually, on September 15th, the State
2 Treasurer shall cause a transfer of \$125,000 to the Real Estate
3 Research and Education Fund from the Real Estate License
4 Administration Fund. The Real Estate Research and Education
5 Fund shall be administered by the Department. Money deposited
6 in the Real Estate Research and Education Fund may be used for
7 research and education at state institutions of higher
8 education or other organizations for research and the
9 advancement of education in the real estate industry. Of the
10 \$125,000 annually transferred into the Real Estate Research and
11 Education Fund, \$15,000 shall be used to fund a scholarship
12 program for persons of minority racial origin who wish to
13 pursue a course of study in the field of real estate. For the
14 purposes of this Section, "course of study" means a course or
15 courses that are part of a program of courses in the field of
16 real estate designed to further an individual's knowledge or
17 expertise in the field of real estate. These courses shall
18 include without limitation ~~courses that a salesperson licensed~~
19 ~~under this Act must complete to qualify for a real estate~~
20 ~~broker's license,~~ courses that a broker licensed under this Act
21 must complete to qualify for a managing broker's license,
22 courses required to obtain the Graduate Realtors Institute
23 designation, and any other courses or programs offered by
24 accredited colleges, universities, or other institutions of
25 higher education in Illinois. The scholarship program shall be
26 administered by the Department or its designee. Moneys in the

1 Real Estate Research and Education Fund may be invested and
2 reinvested in the same manner as funds in the Real Estate
3 Recovery Fund and all earnings, interest, and dividends
4 received from such investments shall be deposited in the Real
5 Estate Research and Education Fund and may be used for the same
6 purposes as moneys transferred to the Real Estate Research and
7 Education Fund. Moneys in the Real Estate Research and
8 Education Fund may be transferred to the Professions Indirect
9 Cost Fund as authorized under Section 2105-300 of the
10 Department of Professional Regulation Law of the Civil
11 Administrative Code of Illinois.

12 (Source: P.A. 96-856, eff. 12-31-09.)

13 (225 ILCS 454/30-15)

14 (Section scheduled to be repealed on January 1, 2020)

15 Sec. 30-15. Licensing of continuing education schools;
16 approval of courses.

17 (a) Only continuing education schools in possession of a
18 valid continuing education school license may provide real
19 estate continuing education courses that will satisfy the
20 requirements of this Act. Pre-license schools licensed to offer
21 pre-license education courses for ~~salespersons,~~ brokers and
22 managing brokers shall qualify for a continuing education
23 school license upon completion of an application and the
24 submission of the required fee. Every entity that desires to
25 obtain a continuing education school license shall make

1 application to the Department in writing in forms prescribed by
2 the Department and pay the fee prescribed by rule. In addition
3 to any other information required to be contained in the
4 application, every application for an original or renewed
5 license shall include the applicant's Social Security number.

6 (b) The criteria for a continuing education license shall
7 include the following:

8 (1) A sound financial base for establishing,
9 promoting, and delivering the necessary courses. Budget
10 planning for the School's courses should be clearly
11 projected.

12 (2) A sufficient number of qualified, licensed
13 instructors as provided by rule.

14 (3) Adequate support personnel to assist with
15 administrative matters and technical assistance.

16 (4) Maintenance and availability of records of
17 participation for licensees.

18 (5) The ability to provide each participant who
19 successfully completes an approved program with a
20 certificate of completion signed by the administrator of a
21 licensed continuing education school on forms provided by
22 the Department.

23 (6) The continuing education school must have a written
24 policy dealing with procedures for the management of
25 grievances and fee refunds.

26 (7) The continuing education school shall maintain

1 lesson plans and examinations for each course.

2 (8) The continuing education school shall require a 70%
3 passing grade for successful completion of any continuing
4 education course.

5 (9) The continuing education school shall identify and
6 use instructors who will teach in a planned program.
7 Suggested criteria for instructor selections include:

8 (A) appropriate credentials;

9 (B) competence as a teacher;

10 (C) knowledge of content area; and

11 (D) qualification by experience.

12 (10) The continuing education school shall provide a
13 proctor or an electronic means of proctoring for each
14 examination. The continuing education school shall be
15 responsible for the conduct of the proctor. The duties and
16 responsibilities of a proctor shall be established by rule.

17 (11) The continuing education school must provide for
18 closed book examinations for each course unless the
19 Advisory Council excuses this requirement based on the
20 complexity of the course material.

21 (c) Advertising and promotion of continuing education
22 activities must be carried out in a responsible fashion,
23 clearly showing the educational objectives of the activity, the
24 nature of the audience that may benefit from the activity, the
25 cost of the activity to the participant and the items covered
26 by the cost, the amount of credit that can be earned, and the

1 credentials of the faculty.

2 (d) The Department may or upon request of the Advisory
3 Council shall, after notice, cause a continuing education
4 school to attend an informal conference before the Advisory
5 Council for failure to comply with any requirement for
6 licensure or for failure to comply with any provision of this
7 Act or the rules for the administration of this Act. The
8 Advisory Council shall make a recommendation to the Board as a
9 result of its findings at the conclusion of any such informal
10 conference.

11 (e) All continuing education schools shall maintain these
12 minimum criteria and pay the required fee in order to retain
13 their continuing education school license.

14 (f) All continuing education schools shall submit, at the
15 time of initial application and with each license renewal, a
16 list of courses with course materials to be offered by the
17 continuing education school. The Department, however, shall
18 establish a mechanism whereby continuing education schools may
19 apply for and obtain approval for continuing education courses
20 that are submitted after the time of initial application or
21 renewal. The Department shall provide to each continuing
22 education school a certificate for each approved continuing
23 education course. All continuing education courses shall be
24 valid for the period coinciding with the term of license of the
25 continuing education school. All continuing education schools
26 shall provide a copy of the certificate of the continuing

1 education course within the course materials given to each
2 student or shall display a copy of the certificate of the
3 continuing education course in a conspicuous place at the
4 location of the class.

5 (g) Each continuing education school shall provide to the
6 Department a monthly report in a format determined by the
7 Department, with information concerning students who
8 successfully completed all approved continuing education
9 courses offered by the continuing education school for the
10 prior month.

11 (h) The Department, upon the recommendation of the Advisory
12 Council, may temporarily suspend a licensed continuing
13 education school's approved courses without hearing and refuse
14 to accept successful completion of or participation in any of
15 these continuing education courses for continuing education
16 credit from that school upon the failure of that continuing
17 education school to comply with the provisions of this Act or
18 the rules for the administration of this Act, until such time
19 as the Department receives satisfactory assurance of
20 compliance. The Department shall notify the continuing
21 education school of the noncompliance and may initiate
22 disciplinary proceedings pursuant to this Act. The Department
23 may refuse to issue, suspend, revoke, or otherwise discipline
24 the license of a continuing education school or may withdraw
25 approval of a continuing education course for good cause.
26 Failure to comply with the requirements of this Section or any

1 other requirements established by rule shall be deemed to be
2 good cause. Disciplinary proceedings shall be conducted by the
3 Board in the same manner as other disciplinary proceedings
4 under this Act.

5 (Source: P.A. 96-856, eff. 12-31-09.)

6 (225 ILCS 454/35-5)

7 (Section scheduled to be repealed on January 1, 2020)

8 Sec. 35-5. Savings provisions.

9 (a) This Act is intended to replace the Real Estate License
10 Act of 1983 in all respects.

11 (b) ~~The Beginning December 31, 1999, the~~ rights, powers,
12 and duties exercised by the Office of Banks and Real Estate
13 under the Real Estate License Act of 1983 shall continue to be
14 vested in, be the obligation of, and shall be exercised by the
15 Division of Real Estate of the Department of Financial and
16 Professional Regulation ~~Office of Banks and Real Estate~~ under
17 the provisions of this Act.

18 (c) This Act does not affect any act done, ratified, or
19 cancelled, or any right occurring or established, or any action
20 or proceeding had or commenced in an administrative, civil, or
21 criminal cause before December 31, 1999, by the Office of Banks
22 and Real Estate under the Real Estate License Act of 1983, and
23 those actions or proceedings may be prosecuted and continued by
24 the Division of Real Estate of the Department of Financial and
25 Professional Regulation ~~Office of Banks and Real Estate~~ under

1 this Act.

2 (d) This Act does not affect any license, certificate,
3 permit, or other form of licensure or authorization issued by
4 the Office of Banks and Real Estate under the Real Estate
5 License Act of 1983 or by the Division of Professional
6 Regulation of the Department of Financial and Professional
7 Regulation under this Act, and all such licenses, certificates,
8 permits, or other form of licensure or authorization shall
9 continue to be valid under the terms and conditions of this
10 Act.

11 (e) The rules adopted by the Office of Banks and Real
12 Estate relating to the Real Estate License Act of 1983, unless
13 inconsistent with the provisions of this Act, are not affected
14 by this Act, and on December 31, 1999 those rules become the
15 rules under this Act. The Office of Banks and Real Estate
16 shall, as soon as practicable, adopt new or amended rules
17 consistent with the provisions of this Act.

18 (f) This Act does not affect any discipline, suspension, or
19 termination taken under the Real Estate License Act of 1983 and
20 that discipline, suspension, or termination shall be continued
21 under this Act.

22 (g) This Act does not affect any appointments, term
23 limitations, years served, or other matters relating to
24 individuals serving on any board or council under the Real
25 Estate License Act of 1983, and these appointments, term
26 limitations, years served, and other matters shall be continued

1 under this Act.

2 (Source: P.A. 91-245, eff. 12-31-99.)

3 (225 ILCS 454/5-46 rep.)

4 (225 ILCS 454/5-47 rep.)

5 Section 10. The Real Estate License Act of 2000 is amended
6 by repealing Sections 5-46 and 5-47.

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