

AN ACT concerning transportation.

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

Section 5. The Illinois Vehicle Code is amended by changing Sections 4-203, 5-102.1, 5-501, and 5-803 and by adding Section 5-110 as follows:

(625 ILCS 5/4-203)

Sec. 4-203. Removal of motor vehicles or other vehicles; towing or hauling away.

(a) When a vehicle is abandoned, or left unattended, on a toll highway, interstate highway, or expressway for 2 hours or more, its removal by a towing service may be authorized by a law enforcement agency having jurisdiction.

(b) When a vehicle is abandoned on a highway in an urban district for 10 hours or more, its removal by a towing service may be authorized by a law enforcement agency having jurisdiction.

(c) When a vehicle is abandoned or left unattended on a highway other than a toll highway, interstate highway, or expressway, outside of an urban district for 24 hours or more, its removal by a towing service may be authorized by a law enforcement agency having jurisdiction.

(d) When an abandoned, unattended, wrecked, burned, or

partially dismantled vehicle is creating a traffic hazard because of its position in relation to the highway or its physical appearance is causing the impeding of traffic, its immediate removal from the highway or private property adjacent to the highway by a towing service may be authorized by a law enforcement agency having jurisdiction.

(e) Whenever a peace officer reasonably believes that a person under arrest for a violation of Section 11-501 of this Code or a similar provision of a local ordinance is likely, upon release, to commit a subsequent violation of Section 11-501, or a similar provision of a local ordinance, the arresting officer shall have the vehicle which the person was operating at the time of the arrest impounded for a period of 12 hours after the time of arrest. However, such vehicle may be released by the arresting law enforcement agency prior to the end of the impoundment period if:

(1) the vehicle was not owned by the person under arrest, and the lawful owner requesting such release possesses a valid operator's license, proof of ownership, and would not, as determined by the arresting law enforcement agency, indicate a lack of ability to operate a motor vehicle in a safe manner, or who would otherwise, by operating such motor vehicle, be in violation of this Code; or

(2) the vehicle is owned by the person under arrest, and the person under arrest gives permission to another

person to operate such vehicle, provided however, that the other person possesses a valid operator's license and would not, as determined by the arresting law enforcement agency, indicate a lack of ability to operate a motor vehicle in a safe manner or who would otherwise, by operating such motor vehicle, be in violation of this Code.

(e-5) Whenever a registered owner of a vehicle is taken into custody for operating the vehicle in violation of Section 11-501 of this Code or a similar provision of a local ordinance or Section 6-303 of this Code, a law enforcement officer may have the vehicle immediately impounded for a period not less than:

(1) 24 hours for a second violation of Section 11-501 of this Code or a similar provision of a local ordinance or Section 6-303 of this Code or a combination of these offenses; or

(2) 48 hours for a third violation of Section 11-501 of this Code or a similar provision of a local ordinance or Section 6-303 of this Code or a combination of these offenses.

The vehicle may be released sooner if the vehicle is owned by the person under arrest and the person under arrest gives permission to another person to operate the vehicle and that other person possesses a valid operator's license and would not, as determined by the arresting law enforcement agency,

indicate a lack of ability to operate a motor vehicle in a safe manner or would otherwise, by operating the motor vehicle, be in violation of this Code.

(f) Except as provided in Chapter 18a of this Code, the owner or lessor of privately owned real property within this State, or any person authorized by such owner or lessor, or any law enforcement agency in the case of publicly owned real property may cause any motor vehicle abandoned or left unattended upon such property without permission to be removed by a towing service without liability for the costs of removal, transportation, ~~or~~ storage, or damage caused by such removal, transportation, or storage. The towing or removal of any vehicle from private property without the consent of the registered owner or other legally authorized person in control of the vehicle is subject to compliance with the following conditions and restrictions:

1. Any towed or removed vehicle must be stored at the site of the towing service's place of business. The site must be open during business hours, and for the purpose of redemption of vehicles, during the time that the person or firm towing such vehicle is open for towing purposes.

2. The towing service shall within 30 minutes of completion of such towing or removal, notify the law enforcement agency having jurisdiction of such towing or removal, and the make, model, color, and license plate number of the vehicle, and shall obtain and record the

name of the person at the law enforcement agency to whom such information was reported.

3. If the registered owner or legally authorized person entitled to possession of the vehicle shall arrive at the scene prior to actual removal or towing of the vehicle, the vehicle shall be disconnected from the tow truck and that person shall be allowed to remove the vehicle without interference, upon the payment of a reasonable service fee of not more than one-half the posted rate of the towing service as provided in paragraph 6 of this subsection, for which a receipt shall be given.

4. The rebate or payment of money or any other valuable consideration from the towing service or its owners, managers, or employees to the owners or operators of the premises from which the vehicles are towed or removed, for the privilege of removing or towing those vehicles, is prohibited. Any individual who violates this paragraph shall be guilty of a Class A misdemeanor.

5. Except for property appurtenant to and obviously a part of a single family residence, and except for instances where notice is personally given to the owner or other legally authorized person in control of the vehicle that the area in which that vehicle is parked is reserved or otherwise unavailable to unauthorized vehicles and they are subject to being removed at the owner or operator's expense, any property owner or lessor, prior to towing or

removing any vehicle from private property without the consent of the owner or other legally authorized person in control of that vehicle, must post a notice meeting the following requirements:

a. Except as otherwise provided in subparagraph a.1 of this paragraph 5 of this subsection ~~subdivision~~ ~~(f)~~ 5, the notice must be prominently placed at each driveway access or curb cut allowing vehicular access to the property within 5 feet from the public right-of-way line. If there are no curbs or access barriers, the sign must be posted not less than one sign each 100 feet of lot frontage.

a.1. In a municipality with a population of less than 250,000, as an alternative to the requirement of subparagraph a of this paragraph 5 of this subsection ~~subdivision~~ ~~(f)~~ 5, the notice for a parking lot contained within property used solely for a 2-family, 3-family, or 4-family residence may be prominently placed at the perimeter of the parking lot, in a position where the notice is visible to the occupants of vehicles entering the lot.

b. The notice must indicate clearly, in not less than 2 inch high light-reflective letters on a contrasting background, that unauthorized vehicles will be towed away at the owner's expense.

c. The notice must also provide the name and

current telephone number of the towing service towing or removing the vehicle.

d. The sign structure containing the required notices must be permanently installed with the bottom of the sign not less than 4 feet above ground level, and must be continuously maintained on the property for not less than 24 hours prior to the towing or removing of any vehicle.

6. Any towing service that tows or removes vehicles and proposes to require the owner, operator, or person in control of the vehicle to pay the costs of towing and storage prior to redemption of the vehicle must file and keep on record with the local law enforcement agency a complete copy of the current rates to be charged for such services, and post at the storage site an identical rate schedule and any written contracts with property owners, lessors, or persons in control of property which authorize them to remove vehicles as provided in this Section. The towing and storage charges, however, shall not exceed the maximum allowed by the Illinois Commerce Commission under Section 18a-200.

7. No person shall engage in the removal of vehicles from private property as described in this Section without filing a notice of intent in each community where he intends to do such removal, and such notice shall be filed at least 7 days before commencing such towing.

8. No removal of a vehicle from private property shall be done except upon express written instructions of the owners or persons in charge of the private property upon which the vehicle is said to be trespassing.

9. Vehicle entry for the purpose of removal shall be allowed with reasonable care on the part of the person or firm towing the vehicle. Such person or firm shall be liable for any damages occasioned to the vehicle if such entry is not in accordance with the standards of reasonable care.

9.5. Except as authorized by a law enforcement officer, no towing service shall engage in the removal of a commercial motor vehicle that requires a commercial driver's license to operate by operating the vehicle under its own power on a highway.

10. When a vehicle has been towed or removed pursuant to this Section, it must be released to its owner, custodian, agent, or lienholder within one-half hour after requested, if such request is made during business hours. Any vehicle owner, custodian, agent, or lienholder shall have the right to inspect the vehicle before accepting its return, and no release or waiver of any kind which would release the towing service from liability for damages incurred during the towing and storage may be required from any vehicle owner or other legally authorized person as a condition of release of the vehicle. A detailed,

signed receipt showing the legal name of the towing service must be given to the person paying towing or storage charges at the time of payment, whether requested or not.

This Section shall not apply to law enforcement, firefighting, rescue, ambulance, or other emergency vehicles which are marked as such or to property owned by any governmental entity.

When an authorized person improperly causes a motor vehicle to be removed, such person shall be liable to the owner or lessee of the vehicle for the cost of removal, transportation and storage, any damages resulting from the removal, transportation and storage, attorney's fee, and court costs.

Any towing or storage charges accrued shall be payable in cash or by cashier's check, certified check, debit card, credit card, or wire transfer, at the option of the party taking possession of the vehicle.

11. Towing companies shall also provide insurance coverage for areas where vehicles towed under the provisions of this Chapter will be impounded or otherwise stored, and shall adequately cover loss by fire, theft, or other risks.

Any person who fails to comply with the conditions and restrictions of this subsection shall be guilty of a Class C misdemeanor and shall be fined not less than \$100 nor more than

\$500.

(g)(1) When a vehicle is determined to be a hazardous dilapidated motor vehicle pursuant to Section 11-40-3.1 of the Illinois Municipal Code or Section 5-12002.1 of the Counties Code, its removal and impoundment by a towing service may be authorized by a law enforcement agency with appropriate jurisdiction.

(2) When a vehicle removal from either public or private property is authorized by a law enforcement agency, the owner of the vehicle shall be responsible for all towing and storage charges.

(3) Vehicles removed from public or private property and stored by a commercial vehicle relocater or any other towing service authorized by a law enforcement agency in compliance with this Section and Sections 4-201 and 4-202 of this Code, or at the request of the vehicle owner or operator, shall be subject to a possessor lien for services pursuant to the Labor and Storage Lien (Small Amount) Act. The provisions of Section 1 of that Act relating to notice and implied consent shall be deemed satisfied by compliance with Section 18a-302 and subsection (6) of Section 18a-300. In no event shall such lien be greater than the rate or rates established in accordance with subsection (6) of Section 18a-200 of this Code. In no event shall such lien be increased or altered to reflect any charge for services or materials rendered in addition to those authorized by this Code. Every such lien shall be payable in

cash or by cashier's check, certified check, debit card, credit card, or wire transfer, at the option of the party taking possession of the vehicle.

(4) Any personal property belonging to the vehicle owner in a vehicle subject to a lien under this subsection (g) shall likewise be subject to that lien, excepting only: child restraint systems as defined in Section 4 of the Child Passenger Protection Act and other child booster seats; eyeglasses; food; medicine; personal medical and health care devices, including hearing instruments; perishable property; any operator's licenses; any cash, credit cards, or checks or checkbooks; any wallet, purse, or other property containing any operator's licenses, social security cards, or other identifying documents or materials, cash, credit cards, checks, checkbooks, or passbooks; higher education textbooks and study materials; and any personal property belonging to a person other than the vehicle owner if that person provides adequate proof that the personal property belongs to that person. The spouse, child, mother, father, brother, or sister of the vehicle owner may claim personal property excepted under this paragraph (4) if the person claiming the personal property provides the commercial vehicle relocater or towing service with the authorization of the vehicle owner.

(5) This paragraph (5) applies only in the case of a vehicle that is towed as a result of being involved in a crash. In addition to the personal property excepted under paragraph

(4), all other personal property in a vehicle subject to a lien under this subsection (g) is exempt from that lien and may be claimed by the vehicle owner if the vehicle owner provides the commercial vehicle relocater or towing service with proof that the vehicle owner has an insurance policy covering towing and storage fees. The spouse, child, mother, father, brother, or sister of the vehicle owner may claim personal property in a vehicle subject to a lien under this subsection (g) if the person claiming the personal property provides the commercial vehicle relocater or towing service with the authorization of the vehicle owner and proof that the vehicle owner has an insurance policy covering towing and storage fees. The regulation of liens on personal property and exceptions to those liens in the case of vehicles towed as a result of being involved in a crash are exclusive powers and functions of the State. A home rule unit may not regulate liens on personal property and exceptions to those liens in the case of vehicles towed as a result of being involved in a crash. This paragraph (5) is a denial and limitation of home rule powers and functions under subsection (h) of Section 6 of Article VII of the Illinois Constitution.

(6) No lien under this subsection (g) shall: exceed \$2,000 in its total amount; or be increased or altered to reflect any charge for services or materials rendered in addition to those authorized by this Code.

(h) Whenever a peace officer issues a citation to a driver

for a violation of subsection (a), (a-5), or (b-5) of Section 11-506 of this Code or for a violation of paragraph (1) of subsection (a) of Section 11-503 of this Code, the arresting officer may have the vehicle which the person was operating at the time of the arrest impounded for a period of 5 days after the time of arrest. An impounding agency shall release a motor vehicle impounded under this subsection (h) to the registered owner of the vehicle under any of the following circumstances:

(1) if the vehicle is a stolen vehicle; or

(2) if the person ticketed for a violation of subsection (a), (a-5), or (b-5) of Section 11-506 or paragraph (1) of subsection (a) of Section 11-503 of this Code was not authorized by the registered owner of the vehicle to operate the vehicle at the time of the violation; or

(3) if the registered owner of the vehicle was neither the driver nor a passenger in the vehicle at the time of the violation or was unaware that the driver was using the vehicle to engage in street racing, street sideshow, or reckless driving; or

(4) if the legal owner or registered owner of the vehicle is a rental car agency; or

(5) if, prior to the expiration of the impoundment period specified above, the citation is dismissed or the defendant is found not guilty of the offense.

(i) Except for vehicles exempted under subsection (b) of

Section 7-601 of this Code, whenever a law enforcement officer issues a citation to a driver for a violation of Section 3-707 of this Code, and the driver has a prior conviction for a violation of Section 3-707 of this Code in the past 12 months, the arresting officer shall authorize the removal and impoundment of the vehicle by a towing service.

(j) Notwithstanding any other provision of law, if a person has indicated in a timely filed report to the appropriate law enforcement agency that a vehicle towed pursuant to this Section has been stolen or hijacked then:

(1) the person shall not be liable for any governmentally imposed fees, fines, or penalties; and

(2) if a vehicle towed pursuant to this Section is registered in Illinois and the name and address of the registered owner of the vehicle is provided or made available to the towing service at the time of the tow, then the towing service must provide written notice of the tow to the registered owner within 2 business days after the vehicle is towed by certified mail, return receipt requested. No storage charges shall accrue if the vehicle is reclaimed by paying recovery and towing charges at the posted rates of the towing service as provided by paragraph 6 of subsection (f) within 7 days after such notice is mailed. If the vehicle is registered in a state other than Illinois, then no storage charges shall accrue if the vehicle is reclaimed by paying recovery and towing

charges at the posted rates of the towing service as provided by paragraph 6 of subsection (f) within 7 days after a request for registered owner information is mailed by the towing service, certified mail, return receipt requested, to the applicable administrative agency or office in that state.

The towing service shall enjoy a lien to secure payment of charges accrued in compliance with this subsection.

(k) If a vehicle is displayed for sale or for transfer of ownership with a vehicle identification number that has been destroyed, removed, covered, altered, or defaced, its removal by a towing service may be authorized by a law enforcement agency having jurisdiction.

(Source: P.A. 102-982, eff. 7-1-23; 103-154, eff. 6-30-23; 103-706, eff. 1-1-25; 103-756, eff. 1-1-25; revised 11-26-24.)

(625 ILCS 5/5-102.1) (from Ch. 95 1/2, par. 5-102.1)

Sec. 5-102.1. Permits for off site sales and exhibitions.

(a) A licensed new or used motor vehicle dealer licensed under Section 5-101 or 5-102 shall not engage in any off site sale without an off site sale permit issued by the Secretary under this Section.

The Secretary shall issue an off site sale permit to a dealer if:

(1) an application therefor is received by the Secretary prior to the beginning date of the proposed off

site sale, accompanied by a fee of \$25;

(2) the applicant is a licensed new vehicle dealer or used vehicle dealer in good standing; and

(3) the Secretary determines that the proposed off site sale will conform with the requirements imposed by law.

However, in no event shall an off site sale permit be issued to any licensed new or used vehicle dealer for any off site sale to be conducted outside that dealer's relevant market area, as that term is defined in this Chapter, except that this restriction shall not apply to off site sales of motor homes or recreational vehicles.

The provisions of this subsection shall not apply to self-contained motor homes, mini motor homes, van campers, and recreational trailers, including trailers designed and used to transport vessels or watercraft.

An off site sale permit does not authorize the sale of vehicles on a Sunday.

(b) Only a new or used vehicle dealer licensed under Section 5-101 or 5-102 may participate in a display exhibition and shall obtain a display exhibition permit issued by the Secretary under this Section.

The Secretary shall issue a display exhibition permit to a dealer if:

(1) an application therefor is received by the Secretary prior to the beginning date of the proposed

exhibition, accompanied by a fee of \$10;

(2) the applicant is a licensed new vehicle dealer or used vehicle dealer in good standing; and

(3) the Secretary determines that the proposed exhibition will conform with the requirements imposed by law.

A display exhibition permit shall be valid for a period of no longer than 30 days.

(c) A licensed new or used motor vehicle dealer under Section 5-101 or 5-102, or any other person as defined in this Section, may participate in a trade show exhibition and must obtain a trade show exhibition permit issued by the Secretary under this Section.

The Secretary shall issue a trade show exhibition permit if:

(1) an application is received by the Secretary before the beginning date of the proposed trade show exhibition, accompanied by a fee of \$10;

(2) the applicant is a licensed new vehicle dealer or used vehicle dealer in good standing; and

(3) the Secretary determines that the proposed trade show exhibition shall conform with the requirements imposed by law.

A trade show exhibition permit shall be valid for a period of no longer than 30 days.

The provisions of this subsection shall not apply to

self-contained motor homes, mini motor homes, van campers, and recreational trailers, including trailers designed and used to transport vessels or watercraft.

The term "any other person" shall mean new or used vehicle dealers licensed by other states; provided however, a trade show exhibition of new vehicles shall only be participated in by licensed new vehicle dealers, at least 2 of which must be licensed under Section 5-101.

(d) An Illinois or out-of-state licensed new or used trailer dealer, manufactured home dealer, motor home dealer, mini motor home dealer, or van camper dealer shall not engage in any off site sale or trade show exhibition without first acquiring a permit issued by the Secretary under this subsection. However, the provisions of this Section shall not apply to a licensed trailer dealer selling a mobile home or manufactured housing, as defined in the Illinois Manufactured Housing and Mobile Home Safety Act, if the manufactured housing or mobile home has utilities permanently attached. The Secretary shall issue a permit to an Illinois dealer if:

(1) an application is received by the Secretary before the beginning date of the proposed off site sale or trade show exhibition, accompanied by a fee of \$25;

(2) the applicant is a licensed new or used vehicle dealer in good standing; and

(3) the Secretary determines that the proposed off site sale or trade show exhibition will conform with the

requirements imposed by law.

The Secretary shall issue a permit to an out-of-state dealer if the requirements of subdivisions (1), (2), and (3) of this subsection (d) are met and at least 2 licensed Illinois dealers will participate in the off site sale or trade show exhibition.

A permit issued pursuant to this subsection shall allow for the sale of vehicles at either an off site sale or at a trade show exhibition. The permit shall be valid for a period not to exceed 30 days.

(e) The Secretary of State may adopt rules regulating the conduct of off site deliveries, sales, and exhibitions, and governing the issuance and enforcement of the permits authorized under this Section. An Illinois licensed new or used motor vehicle dealer is authorized to conduct sales activities, including the collection of electronic signatures, via the Internet and deliver vehicles to a customer at the address provided in the customer's application, if the sale, lease, or delivery is requested by the customer in writing and only after the identity of the customer has been verified at the time of delivery. Any documents that State or federal law require to be signed in person may be signed at the time of delivery without constituting an off site sale that is subject to this Section. If a vehicle is delivered to an address other than the licensed dealer's established place of business, the date of the sale shall be that date on which the application

for title is signed by the purchaser of the vehicle.

(f) Except as otherwise provided in this Section, a motor vehicle dealer or person acting as a motor vehicle dealer shall not park a motor vehicle for the primary purpose of displaying the vehicle for sale or for transfer of ownership on any of the following:

(1) a public street or highway;

(2) a public parking lot;

(3) any other public property; or

(4) any private property if the public may lawfully drive a motor vehicle on the property. This paragraph does not apply if the property is a motor vehicle dealer's lot and the motor vehicle that is parked on the property is in the motor vehicle dealer's inventory.

This subsection does not prohibit off-site sales, displays, or other activities permitted under this Section.

(g) A vehicle that is displayed for sale with a vehicle identification number that has been destroyed, removed, covered, altered, or defaced is subject to removal pursuant to subsection (k) of Section 4-203.

(Source: P.A. 103-392, eff. 1-1-24.)

(625 ILCS 5/5-110 new)

Sec. 5-110. Unlicensed Motor Vehicle Dealer Enforcement Task Force.

(a) The Unlicensed Motor Vehicle Dealer Enforcement Task

Force is established within the Office of the Secretary of State.

(b) The members of the Task Force shall be appointed as follows:

(1) 3 members of the Secretary of State's Office, appointed by the Secretary of State;

(2) 3 members of the Department of Revenue, appointed by the Director of the Department of Revenue;

(3) 3 members of the Office of the Illinois Attorney General, appointed by the Attorney General;

(4) 3 members who represent automobile dealers, one of which is a member of a statewide trade association representing franchised dealers and 2 of which who are nonfranchised, appointed by the Secretary of State; and

(5) one member who represents an auction firm or credentialing company, appointed by the Secretary of State.

(c) The purpose of the Task Force is to review unlicensed motor vehicle dealer enforcement activities in the State. The Task Force shall:

(1) explore and recommend ways to ensure consumer protections are afforded to State consumers making purchases from unlicensed vehicle dealers, including those who are using out-of-state licenses in a manner that evades the State's licensing requirements and protections;

(2) consider methods to identify and investigate

violators, with a focus on retail sales occurring through the internet;

(3) explore methods to collect tax revenue and license and title fees owed to the State;

(4) explore enhanced penalties and enforcement mechanisms for violators; and

(5) address practices relating to renting dealer plates and auction authority.

(d) Initial appointments to the Task Force shall be made as soon as practicable after the effective date of this amendatory Act of the 104th General Assembly. The Task Force shall meet at least 4 times and issue a report to the General Assembly by December 31, 2026.

(e) The Secretary of State shall provide administrative and technical support to the Task Force.

(f) The members of the Task Force shall serve without compensation.

(g) The Task Force established by this Section is dissolved on January 1, 2027.

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

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

(a) The license of a person issued under this Chapter may be denied, revoked or suspended if the Secretary of State finds that the applicant, or the officer, director,

shareholder having a ten percent or greater ownership interest in the corporation, owner, partner, trustee, manager, employee or the licensee has:

1. Violated this Act;
2. Made any material misrepresentation to the Secretary of State in connection with an application for a license, junking certificate, salvage certificate, title or registration;
3. Committed a fraudulent act in connection with selling, bartering, exchanging, offering for sale or otherwise dealing in vehicles, chassis, essential parts, or vehicle shells;
4. As a new vehicle dealer has no contract with a manufacturer or enfranchised distributor to sell that new vehicle in this State;
5. Not maintained an established place of business as defined in this Code;
6. Failed to file or produce for the Secretary of State any application, report, document or other pertinent books, records, documents, letters, contracts, required to be filed or produced under this Code or any rule or regulation made by the Secretary of State pursuant to this Code;
7. Previously had, within 3 years, such a license denied, suspended, revoked, or cancelled under the provisions of subsection (c) (2) of this Section;

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

- a. the "Consumer Finance Act";
- b. the "Consumer Installment Loan Act";
- c. the "Retail Installment Sales Act";
- d. the "Motor Vehicle Retail Installment Sales Act";
- e. "An Act in relation to the rate of interest and other charges in connection with sales on credit and the lending of money", approved May 24, 1879, as amended;
- f. "An Act to promote the welfare of wage-earners by regulating the assignment of wages, and prescribing a penalty for the violation thereof", approved July 1, 1935, as amended;
- g. Part 8 of Article XII of the Code of Civil Procedure; or
- h. the "Consumer Fraud Act";

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

10. Converted an abandoned vehicle;

11. Used a vehicle identification plate or number assigned to a vehicle other than the one to which

originally assigned;

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

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

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

15. Violated Section 21-2 of the Criminal Code of 1961
or the Criminal Code of 2012, Criminal Trespass to
Vehicles;

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

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

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

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

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

21. Violated Article 16 or 17 of the Criminal Code of
2102;

22. Was convicted of a forcible felony under either the Criminal Code of 1961 or Criminal Code of 2012 or convicted of a similar out-of-state offense; ~~+~~

23. Offered for private sale a motor vehicle in the licensee's or exhibitor's inventory.

(b) In addition to other grounds specified in this Chapter, the Secretary of State, on complaint of the Department of Revenue, shall refuse the issuance or renewal of a license, or suspend or revoke such license, for any of the following violations of the "Retailers' Occupation Tax Act", the tax imposed on corporations under subsection (b) of Section 201 of the Illinois Income Tax Act, the Personal Property Tax Replacement Income Tax imposed under subsections (c) and (d) of Section 201 of the Illinois Income Tax Act, or the tax imposed under Section 704A of the Illinois Income Tax Act:

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

(b-1) In addition to other grounds specified in this Chapter, the Secretary of State, on complaint of the Motor Vehicle Review Board, shall refuse the issuance or renewal of a license, or suspend or revoke that license, if costs or fees

assessed under Section 29 or Section 30 of the Motor Vehicle Franchise Act have remained unpaid for a period in excess of 90 days after the licensee received from the Motor Vehicle Board a second notice and demand for the costs or fees. The Motor Vehicle Review Board must send the licensee written notice and demand for payment of the fees or costs at least 2 times, and the second notice and demand must be sent by certified mail.

(c) Cancellation of a license.

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

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

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

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

2. The license of a person issued under this Chapter may be cancelled without a hearing when the Secretary of State is notified that the applicant, or any officer, director, shareholder having a 10 per cent or greater ownership interest in the corporation, owner, partner, trustee, manager, employee or member of the applicant or the licensee has been convicted of any felony involving the selling, bartering, exchanging, offering for sale, or otherwise dealing in vehicles, chassis, essential parts, vehicle shells, or ownership documents relating to any of the above items.

(Source: P.A. 101-505, eff. 1-1-20.)

(625 ILCS 5/5-803)

Sec. 5-803. Administrative penalties. Instead of filing a criminal complaint against a new or used vehicle dealer, or against any other entity licensed by the Secretary under this Code, or any other unlicensed entity acting in violation of this Code, a Secretary of State Police investigator may issue administrative citations for violations of any of the provisions of this Code or any administrative rule adopted by the Secretary under this Code. A party receiving a citation shall have the right to contest the citation in proceedings before the Secretary of State Department of Administrative Hearings. Penalties imposed by issuance of an administrative citation shall not exceed \$50 per violation, except for

violations of subsections (f) and (g) of Section 5-102.1, in which case penalties imposed by issuance of an administrative citation shall not be less than \$1,000 and shall not exceed \$3,000 per violation. A penalty may not be imposed unless, during the course of a single investigation or upon review of the party's records, the party is found to have committed at least 3 separate violations of one or more of the provisions of this Code or any administrative rule adopted by the Secretary under this Code, except for violations of subsections (f) and (g) of Section 5-102.1. Penalties paid as a result of the issuance of administrative citations shall be deposited in the Secretary of State Police Services Fund. If the Secretary of State has reasonable cause to believe from information furnished to the Secretary or from an investigation made by a Secretary of State Police that a person is engaged in a business regulated by this Chapter without being licensed as required by law, the Secretary shall immediately issue and serve on the person by personal delivery or first class mail at the person's last known address a cease and desist order requiring the person to immediately cease and desist from further engaging in the business and shall notify the person that the person has the right to contest the cease and desist order in proceedings before the Secretary of State's Department of Administrative Hearings and that penalties may be imposed pursuant to this Section. The Secretary shall provide a copy of the cease and desist order to the Director of

Public Act 104-0063

HB2751 Enrolled

LRB104 07570 LNS 17614 b

the Department of Revenue.

(Source: P.A. 101-572, eff. 8-23-19.)