



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB3501

Introduced 2/5/2026, by Sen. Rachel Ventura

SYNOPSIS AS INTRODUCED:

New Act
310 ILCS 65/5

from Ch. 67 1/2, par. 1255

Creates the Restock the Block Act. Imposes on a "covered entity" an annual fee of 10% of the property value of each residential property owned by the covered entity in excess of 10 single family homes or 8 multi-family homes. Provides that this fee is to be deposited into the Illinois Affordable Housing Trust Fund with the purpose of funding public housing projects and developments and providing rental and mortgage assistance. Provides that a "covered entity" is an institutional real estate investor or an entity that receives funding from an institutional real estate investor for the purchase of a residential property. Makes exceptions. Provides that an "Institutional real estate investor" is an entity or combined group that, directly or indirectly (1) owns 10 or more single-family homes or 8 or more multi-family homes; (2) manages or receives funds pooled from investors and acts as a fiduciary one or more investors; and (3) has \$30,000,000 or more in net value or assets under management on any day during the taxable year. Provides that it is unlawful for a covered entity to purchase, acquire, or offer to purchase or acquire any interest in residential property unless the residential property has been listed for sale to the general public for at least 90 days. Provides that a covered entity that violates these provisions may be subject to civil damages and penalties in an amount not to exceed \$250,000. Requires that the covered entity is required to submit to the seller or anyone acting as an agent for the seller a form stating that the purchaser is a covered entity and file that form within 3 days with the Department of Human Services. Makes conforming changes to the Illinois Affordable Housing Act.

LRB104 19687 JRC 33136 b

1 AN ACT concerning civil law.

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

4 Section 1. Short title. This Act may be cited as the
5 Restock the Block Act.

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

7 "Covered entity" means an institutional real estate
8 investor or an entity that receives funding from an
9 institutional real estate investor for the purchase of a
10 residential property. A loan provided in exchange for a
11 mortgage of the residential property that is being purchased
12 is not considered funding for the purposes of this
13 subdivision, provided that the mortgage must be of a type for
14 which members of the general public can apply. "Covered
15 entity" does not include:

16 (1) an organization that is described in Section
17 501(c)(3) of the Internal Revenue Code and exempt from tax
18 under Section 501(a) of the Internal Revenue Code;

19 (2) a community land trust;

20 (3) an organization primarily engaged in the
21 construction or rehabilitation of residential properties;

22 (4) a person who owns federal subsidized housing; or

23 (5) a creditor or its loan servicer acquiring ownership

1 of real property in full or partial satisfaction of a
2 secured debt.

3 "Department" means the Department of Human Services.

4 "Disqualified sale" means a sale or transfer to:

5 (1) a corporation or entity engaged in a trade or
6 business;

7 (2) a group of more than 2 individuals; or

8 (3) a person who owns any other residential property.

9 "Institutional real estate investor" means an entity or
10 combined group that, directly or indirectly:

11 (1) owns 10 or more single-family homes or 8 or more
12 multi-family homes;

13 (2) manages or receives funds pooled from investors
14 and acts as a fiduciary with respect to one or more
15 investors; and

16 (3) has \$30,000,000 or more in net value or assets
17 under management on any day during the taxable year.

18 An entity is considered owning a residential property if
19 it directly owns the residential property or indirectly owns
20 10% or more of the residential property.

21 "Multi-family home" means a single residential building
22 divided into at least 2 but no more than 3 dwelling units
23 designed to be occupied by more than one household living
24 separately.

25 "Residential property" means a single-family home or a
26 multi-family home as defined in this Act.

1 "Single family home" means a standalone residential
2 structure designed to be occupied by one household.

3 Section 10. Excess residential property.

4 (a) There is imposed on each covered entity, an annual fee
5 of 10% of the property value of each residential property
6 owned by the covered entity as of the last day of the calendar
7 year in excess of 10 single family homes or 8 multi-family
8 homes.

9 (b) The fee collected must be deposited into the Illinois
10 Affordable Housing Trust Fund with the purpose of funding
11 public housing projects and developments and providing rental
12 and mortgage assistance.

13 Section 15. Disqualified sales. A residential property
14 that is sold or transferred in a disqualified sale is treated
15 as a residential property that is owned by the covered entity
16 on the last day of the calendar year.

17 Section 20. 90-day waiting period.

18 (a) Notwithstanding any other provision of law, on and
19 after the effective date of this Act, it is unlawful for a
20 covered entity to purchase, acquire, or offer to purchase or
21 acquire any interest in residential property unless the
22 residential property has been listed for sale to the general
23 public for at least 90 days.

1 (b) The 90-day waiting period in subsection (a) restarts
2 if the seller changes the asking price for the residential
3 property, and a covered entity is prohibited from purchasing,
4 acquiring, or offering to purchase or acquire any interest in
5 the residential property until it has been listed for sale to
6 the general public at the new asking price for at least an
7 additional 90 days.

8 (c) A covered entity that violates subsection (a) or
9 subsection (b) may be subject to civil damages and penalties
10 in an amount not to exceed \$250,000.

11 (d) (1) At the time an offer is made by a covered entity
12 purchasing residential property, the covered entity is
13 required to submit to the seller or anyone acting as an agent
14 for the seller a form that has been signed and notarized by the
15 covered entity purchaser or an authorized agent thereof
16 stating that the purchaser is a covered entity.

17 (2) Within 3 days of submitting a form to a seller or
18 seller's agent under paragraph (1) of this subsection, a
19 covered entity must file the form with the Department.

20 (3) Any covered entity or covered entity's agent that
21 violates this subdivision may be subject to civil damages and
22 penalties in an amount not to exceed \$10,000.

23 Section 25. Rules reporting.

24 (a) The Department shall adopt rules to administer and
25 enforce the provisions of this Act. Those rules must require

1 reporting as the Department determines necessary or
2 appropriate to carry out the purposes of this Act, including
3 reporting with respect to:

4 (1) status as a covered entity;

5 (2) the dates on which residential properties owned by
6 applicable property owners were acquired by the applicable
7 property owner;

8 (3) the dates on which residential properties owned by
9 an applicable property owner are sold by the applicable
10 property owner in accordance with this Act; and

11 (4) whether any person acquiring a residential
12 property from an applicable property owner owns any other
13 residential properties.

14 (b) On notice and demand of the Department, any applicable
15 property owner who knowingly fails to report as required under
16 this Section or who fails to include correct information in
17 the report shall pay a penalty of \$25,000 to be deposited into
18 the Illinois Affordable Housing Trust Fund with the purpose of
19 funding public housing projects and developments and providing
20 rental and mortgage assistance.

21 Section 900. The Illinois Affordable Housing Act is
22 amended by changing Section 5 as follows:

23 (310 ILCS 65/5) (from Ch. 67 1/2, par. 1255)

24 Sec. 5. Illinois Affordable Housing Trust Fund.

1 (a) There is hereby created the Illinois Affordable
2 Housing Trust Fund, hereafter referred to in this Act as the
3 "Trust Fund" to be held as a separate fund within the State
4 Treasury and to be administered by the Program Administrator.
5 The purpose of the Trust Fund is to finance projects of the
6 Illinois Affordable Housing Program as authorized and approved
7 by the Program Administrator. The Funding Agent shall
8 establish, within the Trust Fund, a General Account, a Bond
9 Account, a Commitment Account and a Development Credits
10 Account. The Funding Agent shall authorize distribution of
11 Trust Fund moneys to the Program Administrator or a payee
12 designated by the Program Administrator for purposes
13 authorized by this Act. After receipt of the Trust Fund moneys
14 by the Program Administrator or designated payee, the Program
15 Administrator shall ensure that all those moneys are expended
16 for a public purpose and only as authorized by this Act.

17 (b) Except as otherwise provided in Section 8(c) of this
18 Act, there shall be deposited in the Trust Fund such amounts as
19 may become available under the provisions of this Act,
20 including, but not limited to:

21 (1) all receipts, including dividends, principal and
22 interest repayments attributable to any loans or
23 agreements funded from the Trust Fund;

24 (2) all proceeds of assets of whatever nature received
25 by the Program Administrator, and attributable to default
26 with respect to loans or agreements funded from the Trust

1 Fund;

2 (3) any appropriations, grants or gifts of funds or
3 property, or financial or other aid from any federal or
4 State agency or body, local government or any other public
5 organization or private individual made to the Trust Fund;

6 (4) any income received as a result of the investment
7 of moneys in the Trust Fund;

8 (5) all fees or charges collected by the Program
9 Administrator or Funding Agent pursuant to this Act;

10 (6) amounts as provided in Section 31-35 of the Real
11 Estate Transfer Tax Law;

12 (7) other funds as appropriated by the General
13 Assembly; and

14 (8) any income, less costs and fees associated with
15 the Program Escrow, received by the Program Administrator
16 that is derived from Trust Fund Moneys held in the Program
17 Escrow prior to expenditure of such Trust Fund Moneys.

18 (c) Additional Trust Fund Purpose: Receipt and use of
19 federal funding for programs responding to the COVID-19 public
20 health emergency. Notwithstanding any other provision of this
21 Act or any other law limiting or directing the use of the Trust
22 Fund, the Trust Fund may receive, directly or indirectly,
23 federal funds from the Homeowner Assistance Fund authorized
24 under Section 3206 of the federal American Rescue Plan Act of
25 2021 (Public Law 117-2). Any such funds shall be deposited
26 into a Homeowner Assistance Account which shall be established

1 within the Trust Fund by the Funding Agent so that such funds
2 can be accounted for separately from other funds in the Trust
3 Fund. Such funds may be used only in the manner and for the
4 purposes authorized in Section 3206 of the American Rescue
5 Plan Act of 2021 and in related federal guidance. Also, the
6 Trust Fund may receive, directly or indirectly, federal funds
7 from the Emergency Rental Assistance Program authorized under
8 Section 3201 of the federal American Rescue Plan Act of 2021
9 and Section 501 of Subtitle A of Title V of Division N of the
10 Consolidated Appropriations Act, 2021 (Public Law 116-260).
11 Any such funds shall be deposited into an Emergency Rental
12 Assistance Account which shall be established within the Trust
13 Fund by the Funding Agent so that such funds can be accounted
14 for separately from other funds in the Trust Fund. Such funds
15 may be used only in the manner and for the purposes authorized
16 in Section 3201 of the American Rescue Plan Act of 2021 and in
17 related federal guidance. Expenditures under this subsection
18 (c) are subject to annual appropriation to the Funding Agent.
19 Unless used in this subsection (c), the defined terms set
20 forth in Section 3 shall not apply to funds received pursuant
21 to the American Rescue Plan Act of 2021. Notwithstanding any
22 other provision of this Act or any other law limiting or
23 directing the use of the Trust Fund, funds received under the
24 American Rescue Plan Act of 2021 are not subject to the terms
25 and provisions of this Act except as specifically set forth in
26 this subsection (c).

1 (d) Additional Trust Fund purpose. The Trust Fund may also
2 receive moneys that are designated for deposit into the Trust
3 Fund as provided in the Restock the Block Act. Those moneys may
4 be used as provided in that Act.

5 (Source: P.A. 102-16, eff. 6-17-21; 103-8, eff. 7-1-23.)