

1 AN ACT concerning transportation.

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

4 Section 5. The Illinois Vehicle Code is amended by changing  
5 Sections 1-154.7, 5-301, 5-302, and 5-803 as follows:

6 (625 ILCS 5/1-154.7)

7 Sec. 1-154.7. Out-of-state salvage vehicle buyer. A person  
8 who is licensed in another state or jurisdiction and acquires  
9 salvage or junk vehicles for the primary purpose of taking them  
10 out of this State ~~state~~.

11 (Source: P.A. 95-783, eff. 1-1-09.)

12 (625 ILCS 5/5-301) (from Ch. 95 1/2, par. 5-301)

13 Sec. 5-301. Automotive parts recyclers, scrap processors,  
14 repairers and rebuilders must be licensed.

15 (a) No person in this State shall, except as an incident to  
16 the servicing of vehicles, carry on or conduct the business of  
17 an automotive parts recycler, a scrap processor, a repairer, or  
18 a rebuilder, unless licensed to do so in writing by the  
19 Secretary of State under this Section. No person shall rebuild  
20 a salvage vehicle unless such person is licensed as a rebuilder  
21 by the Secretary of State under this Section. No person shall  
22 engage in the business of acquiring 5 or more previously owned

1 vehicles in one calendar year for the primary purpose of  
2 disposing of those vehicles in the manner described in the  
3 definition of a "scrap processor" in this Code unless the  
4 person is licensed as an automotive parts recycler by the  
5 Secretary of State under this Section. No person shall engage  
6 in the act of dismantling, crushing, or altering a vehicle into  
7 another form using machinery or equipment unless licensed to do  
8 so and only from the fixed location identified on the license  
9 issued by the Secretary. Each license shall be applied for and  
10 issued separately, except that a license issued to a new  
11 vehicle dealer under Section 5-101 of this Code shall also be  
12 deemed to be a repairer license.

13 (b) Any application filed with the Secretary of State,  
14 shall be duly verified by oath, in such form as the Secretary  
15 of State may by rule or regulation prescribe and shall contain:

16 1. The name and type of business organization of the  
17 applicant and his principal or additional places of  
18 business, if any, in this State.

19 2. The kind or kinds of business enumerated in  
20 subsection (a) of this Section to be conducted at each  
21 location.

22 3. If the applicant is a corporation, a list of its  
23 officers, directors, and shareholders having a ten percent  
24 or greater ownership interest in the corporation, setting  
25 forth the residence address of each; if the applicant is a  
26 sole proprietorship, a partnership, an unincorporated

1 association, a trust, or any similar form of business  
2 organization, the names and residence address of the  
3 proprietor or of each partner, member, officer, director,  
4 trustee or manager.

5 4. A statement that the applicant's officers,  
6 directors, shareholders having a ten percent or greater  
7 ownership interest therein, proprietor, partner, member,  
8 officer, director, trustee, manager, or other principals  
9 in the business have not committed in the past three years  
10 any one violation as determined in any civil or criminal or  
11 administrative proceedings of any one of the following  
12 Acts:

13 (a) the Anti-Theft Laws of the Illinois Vehicle  
14 Code;

15 (b) the "Certificate of Title Laws" of the Illinois  
16 Vehicle Code;

17 (c) the "Offenses against Registration and  
18 Certificates of Title Laws" of the Illinois Vehicle  
19 Code;

20 (d) the "Dealers, Transporters, Wreckers and  
21 Rebuilders Laws" of the Illinois Vehicle Code;

22 (e) Section 21-2 of the Criminal Code of 1961 or  
23 the Criminal Code of 2012, Criminal Trespass to  
24 Vehicles; or

25 (f) the Retailers Occupation Tax Act.

26 5. A statement that the applicant's officers,

1 directors, shareholders having a ten percent or greater  
2 ownership interest therein, proprietor, partner, member,  
3 officer, director, trustee, manager or other principals in  
4 the business have not committed in any calendar year 3 or  
5 more violations, as determined in any civil or criminal or  
6 administrative proceedings, of any one or more of the  
7 following Acts:

8 (a) the Consumer Finance Act;

9 (b) the Consumer Installment Loan Act;

10 (c) the Retail Installment Sales Act;

11 (d) the Motor Vehicle Retail Installment Sales  
12 Act;

13 (e) the Interest Act;

14 (f) the Illinois Wage Assignment Act;

15 (g) Part 8 of Article XII of the Code of Civil  
16 Procedure; or

17 (h) the Consumer Fraud Act.

18 6. An application for a license shall be accompanied by  
19 the following fees: \$50 for applicant's established place  
20 of business; \$25 for each additional place of business, if  
21 any, to which the application pertains; provided, however,  
22 that if such an application is made after June 15 of any  
23 year, the license fee shall be \$25 for applicant's  
24 established place of business plus \$12.50 for each  
25 additional place of business, if any, to which the  
26 application pertains. License fees shall be returnable

1           only in the event that such application shall be denied by  
2           the Secretary of State.

3           7. A statement that the applicant understands Chapter 1  
4           through Chapter 5 of this Code.

5           8. A statement that the applicant shall comply with  
6           subsection (e) of this Section.

7           9. A statement indicating if the applicant, including  
8           any of the applicant's affiliates or predecessor  
9           corporations, has been subject to the revocation or  
10          nonrenewal of a business license by a municipality under  
11          Section 5-501.5 of this Code.

12          10. The applicant's National Motor Vehicle Title  
13          Information System number and a statement of compliance if  
14          applicable.

15          (c) Any change which renders no longer accurate any  
16          information contained in any application for a license filed  
17          with the Secretary of State shall be amended within 30 days  
18          after the occurrence of such change on such form as the  
19          Secretary of State may prescribe by rule or regulation,  
20          accompanied by an amendatory fee of \$2.

21          (d) Anything in this Chapter to the contrary,  
22          notwithstanding, no person shall be licensed under this Section  
23          unless such person shall maintain an established place of  
24          business as defined in this Chapter.

25          (e) The Secretary of State shall within a reasonable time  
26          after receipt thereof, examine an application submitted to him

1 under this Section and unless he makes a determination that the  
2 application submitted to him does not conform with the  
3 requirements of this Section or that grounds exist for a denial  
4 of the application, as prescribed in Section 5-501 of this  
5 Chapter, grant the applicant an original license as applied for  
6 in writing for his established place of business and a  
7 supplemental license in writing for each additional place of  
8 business in such form as he may prescribe by rule or regulation  
9 which shall include the following:

10 1. the name of the person licensed;

11 2. if a corporation, the name and address of its  
12 officers or if a sole proprietorship, a partnership, an  
13 unincorporated association or any similar form of business  
14 organization, the name and address of the proprietor or of  
15 each partner, member, officer, director, trustee or  
16 manager;

17 3. a designation of the kind or kinds of business  
18 enumerated in subsection (a) of this Section to be  
19 conducted at each location;

20 4. in the case of an original license, the established  
21 place of business of the licensee;

22 5. in the case of a supplemental license, the  
23 established place of business of the licensee and the  
24 additional place of business to which such supplemental  
25 license pertains.

26 (f) The appropriate instrument evidencing the license or a

1 certified copy thereof, provided by the Secretary of State  
2 shall be kept, posted, conspicuously in the established place  
3 of business of the licensee and in each additional place of  
4 business, if any, maintained by such licensee. The licensee  
5 also shall post conspicuously in the established place of  
6 business and in each additional place of business a notice  
7 which states that such business is required to be licensed by  
8 the Secretary of State under Section 5-301, and which provides  
9 the license number of the business and the license expiration  
10 date. This notice also shall advise the consumer that any  
11 complaints as to the quality of service may be brought to the  
12 attention of the Attorney General. The information required on  
13 this notice also shall be printed conspicuously on all  
14 estimates and receipts for work by the licensee subject to this  
15 Section. The Secretary of State shall prescribe the specific  
16 format of this notice.

17 (g) Except as provided in subsection (h) hereof, licenses  
18 granted under this Section shall expire by operation of law on  
19 December 31 of the calendar year for which they are granted  
20 unless sooner revoked, nonrenewed, or cancelled under the  
21 provisions of Section 5-501 or 5-501.5 of this Chapter.

22 (h) Any license granted under this Section may be renewed  
23 upon application and payment of the fee required herein as in  
24 the case of an original license, provided, however, that in  
25 case an application for the renewal of an effective license is  
26 made during the month of December, such effective license shall

1 remain in force until such application is granted or denied by  
2 the Secretary of State.

3 (i) All automotive repairers and rebuilders shall, in  
4 addition to the requirements of subsections (a) through (h) of  
5 this Section, meet the following licensing requirements:

6 1. provide proof that the property on which first time  
7 applicants plan to do business is in compliance with local  
8 zoning laws and regulations, and a listing of zoning  
9 classification;

10 2. provide proof that the applicant for a repairer's  
11 license complies with the proper workers' compensation  
12 rate code or classification, and listing the code of  
13 classification for that industry;

14 3. provide proof that the applicant for a rebuilder's  
15 license complies with the proper workers' compensation  
16 rate code or classification for the repair industry or the  
17 auto parts recycling industry and listing the code of  
18 classification;

19 4. provide proof that the applicant has obtained or  
20 applied for a hazardous waste generator number, and listing  
21 the actual number if available or certificate of exemption;

22 5. provide proof that applicant has proper liability  
23 insurance, and listing the name of the insurer and the  
24 policy number; and

25 6. provide proof that the applicant has obtained or  
26 applied for the proper State sales tax classification and



1 federal identification tax number, and listing the actual  
2 numbers if available.

3 (i-1) All automotive repairers shall provide proof that  
4 they comply with all requirements of the Automotive Collision  
5 Repair Act.

6 (j) All automotive parts recyclers shall, in addition to  
7 the requirements of subsections (a) through (h) of this  
8 Section, meet the following licensing requirements:

9 1. provide a statement that the applicant purchases 5  
10 vehicles per year or has 5 hulks or chassis in stock;

11 2. provide proof that the property on which all first  
12 time applicants will do business does comply to the proper  
13 local zoning laws in existence, and a listing of zoning  
14 classifications;

15 3. provide proof that applicant complies with the  
16 proper workers' compensation rate code or classification,  
17 and listing the code of classification; and

18 4. provide proof that applicant has obtained or applied  
19 for the proper State sales tax classification and federal  
20 identification tax number, and listing the actual numbers  
21 if available.

22 (Source: P.A. 100-409, eff. 8-25-17.)

23 (625 ILCS 5/5-302) (from Ch. 95 1/2, par. 5-302)

24 Sec. 5-302. Out-of-state salvage vehicle buyer must be  
25 licensed.

1 (a) No person in this State shall sell ~~or offer~~ at auction  
2 a salvage vehicle ~~vehicles~~ to a nonresident individual or  
3 business licensed in the United States unless the nonresident  
4 is ~~who is not~~ licensed in another state or jurisdiction and  
5 provides a resale tax certificate, if applicable, and one of  
6 the following: a National Motor Vehicle Title Information  
7 System (NMVTIS) number, a federal employer identification  
8 number, or a government-issued driver's license or passport. A  
9 person in this State shall not sell at auction a salvage  
10 vehicle to an out-of-country buyer, unless if the nonresident  
11 is licensed in a jurisdiction that is not a state, then the  
12 nonresident shall provide to the seller the number of the  
13 nonresident's license issued by that jurisdiction and a copy of  
14 the nonresident's passport or the passport of an owner or  
15 officer of the nonresident entity or a copy of another form of  
16 government-issued identification from the nonresident or an  
17 owner or officer of the nonresident entity.

18 (b) (Blank).

19 (c) (Blank).

20 (d) (Blank).

21 (e) (Blank).

22 (f) (Blank).

23 (g) An out-of-state salvage vehicle buyer shall be subject  
24 to the inspection of records pertaining to the acquisition of  
25 salvage vehicles in this State in accordance with this Code and  
26 such rules as the Secretary of State may promulgate.

1 (h) (Blank).

2 (i) (Blank).

3 (j) An out-of-state salvage vehicle buyer who provides an  
4 address outside of the United States shall receive a salvage  
5 certificate stamped by the seller with the designation of "For  
6 Export Only" at the point of sale for each salvage vehicle  
7 purchased and the NMVTIS record shall be designated "EXPORT".

8 (Source: P.A. 95-783, eff. 1-1-09.)

9 (625 ILCS 5/5-803)

10 Sec. 5-803. Administrative penalties. Instead of filing a  
11 criminal complaint against a new or used vehicle dealer, or  
12 against any other entity licensed by the Secretary under this  
13 Code, or any other unlicensed entity acting in violation of  
14 this Code, a Secretary of State Police investigator may issue  
15 administrative citations for violations of any of the  
16 provisions of this Code or any administrative rule adopted by  
17 the Secretary under this Code. A party receiving a citation  
18 shall have the right to contest the citation in proceedings  
19 before the Secretary of State Department of Administrative  
20 Hearings. Penalties imposed by issuance of an administrative  
21 citation shall not exceed \$50 per violation. A penalty may not  
22 be imposed unless, during the course of a single investigation  
23 or upon review of the party's records, the party is found to  
24 have committed at least 3 separate violations of one or more of  
25 the provisions of this Code or any administrative rule adopted

1 by the Secretary under this Code. Penalties paid as a result of  
2 the issuance of administrative citations shall be deposited in  
3 the Secretary of State Police Services Fund.

4 (Source: P.A. 97-838, eff. 7-20-12; 98-177, eff. 1-1-14.)

5 Section 99. Effective date. This Act takes effect upon  
6 becoming law.