

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 3-904, 5-101, and 5-102 and by adding Section 3-904.5
6 as follows:

7 (625 ILCS 5/3-904) (from Ch. 95 1/2, par. 3-904)

8 Sec. 3-904. Application; contents; affidavits; prelicense
9 education certification ~~—Contents—Affidavits.~~

10 (a) Any person who desires to act as a "remittance agent"
11 shall first file with the Secretary of State a written
12 application for a license. The application shall be under oath
13 and shall contain the following:

14 1. The name and address of the applicant.

15 2. The address of each location at which the applicant
16 intends to act as a remittance agent.

17 3. The applicant's business, occupation or profession.

18 4. A statement disclosing whether he has been involved
19 in any civil or criminal litigation and if so, the material
20 facts pertaining thereto.

21 5. A statement that the applicant has not committed in
22 the past 3 years any violation as determined in any civil,
23 criminal, or administrative proceedings under the

1 Retailers' Occupation Tax Act or under Article I or VII of
2 Chapter 3 of this Code.

3 6. Any other information concerning the business of the
4 applicant that the Secretary of State may prescribe.

5 (b) The application under subsection (a) shall be
6 accompanied by the affidavits of two persons residing in the
7 city or town of such applicant's residence. Such affiants shall
8 state that they have known the applicant for a period of at
9 least two years; that the applicant is of good moral character
10 and that his reputation for honesty and business integrity in
11 the community in which he resides is good. If the applicant is
12 not an individual, the requirements of this paragraph shall
13 apply to each of its officers or members.

14 (c) The application under subsection (a) shall be
15 accompanied by a copy of the certification from the
16 prelicensing education program as required by Section 3-904.5
17 of this Code.

18 (Source: P.A. 97-832, eff. 7-20-12.)

19 (625 ILCS 5/3-904.5 new)

20 Sec. 3-904.5. Remittance agent prelicensing education
21 program courses.

22 (a) An applicant for a license as a remittance agent shall
23 complete a minimum of 8 hours of prelicensing education program
24 courses under this Section prior to submitting an application
25 to the Secretary of State.

1 (b) To meet the requirements of this Section, at least one
2 person who is associated with the remittance agent as an owner,
3 principal, corporate officer, director, or member or partner of
4 a limited liability company or limited liability partnership
5 shall complete the education program courses.

6 (c) The prelicensing education program courses shall be
7 provided by public or private entities with an expertise in the
8 area as approved by the Secretary of State. The Secretary of
9 State must approve course curricula and instruction, in
10 consultation with the Department of Transportation and any
11 private entity with expertise in the area in the Secretary's
12 discretion.

13 (d) Each person who successfully completes an approved
14 prelicensing education program under this Section shall be
15 issued a certificate by the education program provider. The
16 current certificate of completion, or a copy of the current
17 certificate, shall be posted conspicuously in the principal
18 office of the licensee.

19 (e) The provisions of this Section apply to all remittance
20 agents including, but not limited to, persons, corporations,
21 and partnerships, except for the following:

22 (1) motor vehicle rental companies having a national
23 franchise;

24 (2) national motor vehicle auction companies;

25 (3) wholesale dealer-only auction companies;

26 (4) used vehicle dealerships owned by a franchise motor

1 vehicle dealer; and
2 (5) banks, credit unions, and savings and loan
3 associations.

4 (625 ILCS 5/5-101) (from Ch. 95 1/2, par. 5-101)
5 Sec. 5-101. New vehicle dealers must be licensed.

6 (a) No person shall engage in this State in the business of
7 selling or dealing in, on consignment or otherwise, new
8 vehicles of any make, or act as an intermediary or agent or
9 broker for any licensed dealer or vehicle purchaser other than
10 as a salesperson, or represent or advertise that he is so
11 engaged or intends to so engage in such business unless
12 licensed to do so in writing by the Secretary of State under
13 the provisions of this Section.

14 (b) An application for a new vehicle dealer's license shall
15 be filed with the Secretary of State, duly verified by oath, on
16 such form as the Secretary of State may by rule or regulation
17 prescribe and shall contain:

18 1. The name and type of business organization of the
19 applicant and his established and additional places of
20 business, if any, in this State.

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

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

5 3. The make or makes of new vehicles which the
6 applicant will offer for sale at retail in this State.

7 4. The name of each manufacturer or franchised
8 distributor, if any, of new vehicles with whom the
9 applicant has contracted for the sale of such new vehicles.
10 As evidence of this fact, the application shall be
11 accompanied by a signed statement from each such
12 manufacturer or franchised distributor. If the applicant
13 is in the business of offering for sale new conversion
14 vehicles, trucks or vans, except for trucks modified to
15 serve a special purpose which includes but is not limited
16 to the following vehicles: street sweepers, fertilizer
17 spreaders, emergency vehicles, implements of husbandry or
18 maintenance type vehicles, he must furnish evidence of a
19 sales and service agreement from both the chassis
20 manufacturer and second stage manufacturer.

21 5. A statement that the applicant has been approved for
22 registration under the Retailers' Occupation Tax Act by the
23 Department of Revenue: Provided that this requirement does
24 not apply to a dealer who is already licensed hereunder
25 with the Secretary of State, and who is merely applying for
26 a renewal of his license. As evidence of this fact, the

1 application shall be accompanied by a certification from
2 the Department of Revenue showing that that Department has
3 approved the applicant for registration under the
4 Retailers' Occupation Tax Act.

5 6. A statement that the applicant has complied with the
6 appropriate liability insurance requirement. A Certificate
7 of Insurance in a solvent company authorized to do business
8 in the State of Illinois shall be included with each
9 application covering each location at which he proposes to
10 act as a new vehicle dealer. The policy must provide
11 liability coverage in the minimum amounts of \$100,000 for
12 bodily injury to, or death of, any person, \$300,000 for
13 bodily injury to, or death of, two or more persons in any
14 one accident, and \$50,000 for damage to property. Such
15 policy shall expire not sooner than December 31 of the year
16 for which the license was issued or renewed. The expiration
17 of the insurance policy shall not terminate the liability
18 under the policy arising during the period for which the
19 policy was filed. Trailer and mobile home dealers are
20 exempt from this requirement.

21 If the permitted user has a liability insurance policy
22 that provides automobile liability insurance coverage of
23 at least \$100,000 for bodily injury to or the death of any
24 person, \$300,000 for bodily injury to or the death of any 2
25 or more persons in any one accident, and \$50,000 for damage
26 to property, then the permitted user's insurer shall be the

1 primary insurer and the dealer's insurer shall be the
2 secondary insurer. If the permitted user does not have a
3 liability insurance policy that provides automobile
4 liability insurance coverage of at least \$100,000 for
5 bodily injury to or the death of any person, \$300,000 for
6 bodily injury to or the death of any 2 or more persons in
7 any one accident, and \$50,000 for damage to property, or
8 does not have any insurance at all, then the dealer's
9 insurer shall be the primary insurer and the permitted
10 user's insurer shall be the secondary insurer.

11 When a permitted user is "test driving" a new vehicle
12 dealer's automobile, the new vehicle dealer's insurance
13 shall be primary and the permitted user's insurance shall
14 be secondary.

15 As used in this paragraph 6, a "permitted user" is a
16 person who, with the permission of the new vehicle dealer
17 or an employee of the new vehicle dealer, drives a vehicle
18 owned and held for sale or lease by the new vehicle dealer
19 which the person is considering to purchase or lease, in
20 order to evaluate the performance, reliability, or
21 condition of the vehicle. The term "permitted user" also
22 includes a person who, with the permission of the new
23 vehicle dealer, drives a vehicle owned or held for sale or
24 lease by the new vehicle dealer for loaner purposes while
25 the user's vehicle is being repaired or evaluated.

26 As used in this paragraph 6, "test driving" occurs when

1 a permitted user who, with the permission of the new
2 vehicle dealer or an employee of the new vehicle dealer,
3 drives a vehicle owned and held for sale or lease by a new
4 vehicle dealer that the person is considering to purchase
5 or lease, in order to evaluate the performance,
6 reliability, or condition of the vehicle.

7 As used in this paragraph 6, "loaner purposes" means
8 when a person who, with the permission of the new vehicle
9 dealer, drives a vehicle owned or held for sale or lease by
10 the new vehicle dealer while the user's vehicle is being
11 repaired or evaluated.

12 7. (A) An application for a new motor vehicle dealer's
13 license shall be accompanied by the following license fees:

14 (i) \$1,000 for applicant's established place of
15 business, and \$100 for each additional place of
16 business, if any, to which the application pertains;
17 but if the application is made after June 15 of any
18 year, the license fee shall be \$500 for applicant's
19 established place of business plus \$50 for each
20 additional place of business, if any, to which the
21 application pertains. License fees shall be returnable
22 only in the event that the application is denied by the
23 Secretary of State. All moneys received by the
24 Secretary of State as license fees under this
25 subparagraph (i) prior to applications for the 2004
26 licensing year shall be deposited into the Motor

1 Vehicle Review Board Fund and shall be used to
2 administer the Motor Vehicle Review Board under the
3 Motor Vehicle Franchise Act. Of the money received by
4 the Secretary of State as license fees under this
5 subparagraph (i) for the 2004 licensing year and
6 thereafter, 10% shall be deposited into the Motor
7 Vehicle Review Board Fund and shall be used to
8 administer the Motor Vehicle Review Board under the
9 Motor Vehicle Franchise Act and 90% shall be deposited
10 into the General Revenue Fund.

11 (ii) Except for dealers selling 25 or fewer
12 automobiles or as provided in subsection (h) of Section
13 5-102.7 of this Code, an Annual Dealer Recovery Fund
14 Fee in the amount of \$500 for the applicant's
15 established place of business, and \$50 for each
16 additional place of business, if any, to which the
17 application pertains; but if the application is made
18 after June 15 of any year, the fee shall be \$250 for
19 the applicant's established place of business plus \$25
20 for each additional place of business, if any, to which
21 the application pertains. For a license renewal
22 application, the fee shall be based on the amount of
23 automobiles sold in the past year according to the
24 following formula:

25 (1) \$0 for dealers selling 25 or less
26 automobiles;

1 (2) \$150 for dealers selling more than 25 but
2 less than 200 automobiles;

3 (3) \$300 for dealers selling 200 or more
4 automobiles but less than 300 automobiles; and

5 (4) \$500 for dealers selling 300 or more
6 automobiles.

7 License fees shall be returnable only in the event
8 that the application is denied by the Secretary of
9 State. Moneys received under this subparagraph (ii)
10 shall be deposited into the Dealer Recovery Trust Fund.

11 (B) An application for a new vehicle dealer's license,
12 other than for a new motor vehicle dealer's license, shall
13 be accompanied by the following license fees:

14 (i) \$1,000 for applicant's established place of
15 business, and \$50 for each additional place of
16 business, if any, to which the application pertains;
17 but if the application is made after June 15 of any
18 year, the license fee shall be \$500 for applicant's
19 established place of business plus \$25 for each
20 additional place of business, if any, to which the
21 application pertains. License fees shall be returnable
22 only in the event that the application is denied by the
23 Secretary of State. Of the money received by the
24 Secretary of State as license fees under this
25 subparagraph (i) for the 2004 licensing year and
26 thereafter, 95% shall be deposited into the General

1 Revenue Fund.

2 (ii) Except as provided in subsection (h) of
3 Section 5-102.7 of this Code, an Annual Dealer Recovery
4 Fund Fee in the amount of \$500 for the applicant's
5 established place of business, and \$50 for each
6 additional place of business, if any, to which the
7 application pertains; but if the application is made
8 after June 15 of any year, the fee shall be \$250 for
9 the applicant's established place of business plus \$25
10 for each additional place of business, if any, to which
11 the application pertains. License fees shall be
12 returnable only in the event that the application is
13 denied by the Secretary of State. Moneys received under
14 this subparagraph (ii) shall be deposited into the
15 Dealer Recovery Trust Fund.

16 8. A statement that the applicant's officers,
17 directors, shareholders having a 10% or greater ownership
18 interest therein, proprietor, a partner, member, officer,
19 director, trustee, manager or other principals in the
20 business have not committed in the past 3 years any one
21 violation as determined in any civil, criminal or
22 administrative proceedings of any one of the following
23 Acts:

24 (A) The Anti-Theft ~~Anti-Theft~~ Laws of the Illinois
25 Vehicle Code;

26 (B) The Certificate of Title Laws of the Illinois

1 Vehicle Code;

2 (C) The Offenses against Registration and
3 Certificates of Title Laws of the Illinois Vehicle
4 Code;

5 (D) The Dealers, Transporters, Wreckers and
6 Rebuilders Laws of the Illinois Vehicle Code;

7 (E) Section 21-2 of the Criminal Code of 1961 or
8 the Criminal Code of 2012, Criminal Trespass to
9 Vehicles; or

10 (F) The Retailers' Occupation Tax Act.

11 9. A statement that the applicant's officers,
12 directors, shareholders having a 10% or greater ownership
13 interest therein, proprietor, partner, member, officer,
14 director, trustee, manager or other principals in the
15 business have not committed in any calendar year 3 or more
16 violations, as determined in any civil, criminal or
17 administrative proceedings, of any one or more of the
18 following Acts:

19 (A) The Consumer Finance Act;

20 (B) The Consumer Installment Loan Act;

21 (C) The Retail Installment Sales Act;

22 (D) The Motor Vehicle Retail Installment Sales
23 Act;

24 (E) The Interest Act;

25 (F) The Illinois Wage Assignment Act;

26 (G) Part 8 of Article XII of the Code of Civil

1 Procedure; or

2 (H) The Consumer Fraud Act.

3 9.5. A statement that, within 10 years of application,
4 the applicant's officers, directors, shareholders having a
5 10% or greater ownership interest therein, proprietor,
6 partner, member, officer, director, trustee, manager or
7 other principals in the business have not been convicted in
8 any calendar year of one or more violations, as determined
9 in any civil, criminal or administrative proceedings, of a
10 forcible felony under the Criminal Code of 1961 or the
11 Criminal Code of 2012 or a similar out-of-state offense.
12 For the purposes of this paragraph, "forcible felony" has
13 the meaning as defined in Section 2-8 of the Criminal Code
14 of 2012.

15 10. A bond or certificate of deposit in the amount of
16 \$20,000 for each location at which the applicant intends to
17 act as a new vehicle dealer. The bond shall be for the term
18 of the license, or its renewal, for which application is
19 made, and shall expire not sooner than December 31 of the
20 year for which the license was issued or renewed. The bond
21 shall run to the People of the State of Illinois, with
22 surety by a bonding or insurance company authorized to do
23 business in this State. It shall be conditioned upon the
24 proper transmittal of all title and registration fees and
25 taxes (excluding taxes under the Retailers' Occupation Tax
26 Act) accepted by the applicant as a new vehicle dealer.

1 11. Such other information concerning the business of
2 the applicant as the Secretary of State may by rule or
3 regulation prescribe.

4 12. A statement that the applicant understands Chapter
5 1 ~~One~~ through Chapter 5 ~~Five~~ of this Code.

6 (c) Any change which renders no longer accurate any
7 information contained in any application for a new vehicle
8 dealer's license shall be amended within 30 days after the
9 occurrence of such change on such form as the Secretary of
10 State may prescribe by rule or regulation, accompanied by an
11 amendatory fee of \$2.

12 (d) Anything in this Chapter 5 to the contrary
13 notwithstanding no person shall be licensed as a new vehicle
14 dealer unless:

15 1. He is authorized by contract in writing between
16 himself and the manufacturer or franchised distributor of
17 such make of vehicle to so sell the same in this State, and

18 2. Such person shall maintain an established place of
19 business as defined in this Act.

20 (e) The Secretary of State shall, within a reasonable time
21 after receipt, examine an application submitted to him under
22 this Section and unless he makes a determination that the
23 application submitted to him does not conform with the
24 requirements of this Section or that grounds exist for a denial
25 of the application, under Section 5-501 of this Chapter, grant
26 the applicant an original new vehicle dealer's license in

1 writing for his established place of business and a
2 supplemental license in writing for each additional place of
3 business in such form as he may prescribe by rule or regulation
4 which shall include the following:

5 1. The name of the person licensed;

6 2. If a corporation, the name and address of its
7 officers or if a sole proprietorship, a partnership, an
8 unincorporated association or any similar form of business
9 organization, the name and address of the proprietor or of
10 each partner, member, officer, director, trustee or
11 manager;

12 3. In the case of an original license, the established
13 place of business of the licensee;

14 4. In the case of a supplemental license, the
15 established place of business of the licensee and the
16 additional place of business to which such supplemental
17 license pertains;

18 5. The make or makes of new vehicles which the licensee
19 is licensed to sell.

20 (f) The appropriate instrument evidencing the license or a
21 certified copy thereof, provided by the Secretary of State,
22 shall be kept posted conspicuously in the established place of
23 business of the licensee and in each additional place of
24 business, if any, maintained by such licensee.

25 (g) Except as provided in subsection (h) hereof, all new
26 vehicle dealer's licenses granted under this Section shall

1 expire by operation of law on December 31 of the calendar year
2 for which they are granted unless sooner revoked or cancelled
3 under the provisions of Section 5-501 of this Chapter.

4 (h) A new vehicle dealer's license may be renewed upon
5 application and payment of the fee required herein, and
6 submission of proof of coverage under an approved bond under
7 the "Retailers' Occupation Tax Act" or proof that applicant is
8 not subject to such bonding requirements, as in the case of an
9 original license, but in case an application for the renewal of
10 an effective license is made during the month of December, the
11 effective license shall remain in force until the application
12 is granted or denied by the Secretary of State.

13 (i) All persons licensed as a new vehicle dealer are
14 required to furnish each purchaser of a motor vehicle:

15 1. In the case of a new vehicle a manufacturer's
16 statement of origin and in the case of a used motor vehicle
17 a certificate of title, in either case properly assigned to
18 the purchaser;

19 2. A statement verified under oath that all identifying
20 numbers on the vehicle agree with those on the certificate
21 of title or manufacturer's statement of origin;

22 3. A bill of sale properly executed on behalf of such
23 person;

24 4. A copy of the Uniform Invoice-transaction reporting
25 return referred to in Section 5-402 hereof;

26 5. In the case of a rebuilt vehicle, a copy of the

1 Disclosure of Rebuilt Vehicle Status; and

2 6. In the case of a vehicle for which the warranty has
3 been reinstated, a copy of the warranty.

4 (j) Except at the time of sale or repossession of the
5 vehicle, no person licensed as a new vehicle dealer may issue
6 any other person a newly created key to a vehicle unless the
7 new vehicle dealer makes a copy of the driver's license or
8 State identification card of the person requesting or obtaining
9 the newly created key. The new vehicle dealer must retain the
10 copy for 30 days.

11 A new vehicle dealer who violates this subsection (j) is
12 guilty of a petty offense. Violation of this subsection (j) is
13 not cause to suspend, revoke, cancel, or deny renewal of the
14 new vehicle dealer's license.

15 This amendatory Act of 1983 shall be applicable to the 1984
16 registration year and thereafter.

17 (Source: P.A. 97-480, eff. 10-1-11; 97-1150, eff. 1-25-13;
18 98-450, eff. 1-1-14; revised 12-10-14.)

19 (625 ILCS 5/5-102) (from Ch. 95 1/2, par. 5-102)

20 Sec. 5-102. Used vehicle dealers must be licensed.

21 (a) No person, other than a licensed new vehicle dealer,
22 shall engage in the business of selling or dealing in, on
23 consignment or otherwise, 5 or more used vehicles of any make
24 during the year (except house trailers as authorized by
25 paragraph (j) of this Section and rebuilt salvage vehicles sold

1 by their rebuilders to persons licensed under this Chapter), or
2 act as an intermediary, agent or broker for any licensed dealer
3 or vehicle purchaser (other than as a salesperson) or represent
4 or advertise that he is so engaged or intends to so engage in
5 such business unless licensed to do so by the Secretary of
6 State under the provisions of this Section.

7 (b) An application for a used vehicle dealer's license
8 shall be filed with the Secretary of State, duly verified by
9 oath, in such form as the Secretary of State may by rule or
10 regulation prescribe and shall contain:

11 1. The name and type of business organization
12 established and additional places of business, if any, in
13 this State.

14 2. If the applicant is a corporation, a list of its
15 officers, directors, and shareholders having a ten percent
16 or greater ownership interest in the corporation, setting
17 forth the residence address of each; if the applicant is a
18 sole proprietorship, a partnership, an unincorporated
19 association, a trust, or any similar form of business
20 organization, the names and residence address of the
21 proprietor or of each partner, member, officer, director,
22 trustee or manager.

23 3. A statement that the applicant has been approved for
24 registration under the Retailers' Occupation Tax Act by the
25 Department of Revenue. However, this requirement does not
26 apply to a dealer who is already licensed hereunder with

1 the Secretary of State, and who is merely applying for a
2 renewal of his license. As evidence of this fact, the
3 application shall be accompanied by a certification from
4 the Department of Revenue showing that the Department has
5 approved the applicant for registration under the
6 Retailers' Occupation Tax Act.

7 4. A statement that the applicant has complied with the
8 appropriate liability insurance requirement. A Certificate
9 of Insurance in a solvent company authorized to do business
10 in the State of Illinois shall be included with each
11 application covering each location at which he proposes to
12 act as a used vehicle dealer. The policy must provide
13 liability coverage in the minimum amounts of \$100,000 for
14 bodily injury to, or death of, any person, \$300,000 for
15 bodily injury to, or death of, two or more persons in any
16 one accident, and \$50,000 for damage to property. Such
17 policy shall expire not sooner than December 31 of the year
18 for which the license was issued or renewed. The expiration
19 of the insurance policy shall not terminate the liability
20 under the policy arising during the period for which the
21 policy was filed. Trailer and mobile home dealers are
22 exempt from this requirement.

23 If the permitted user has a liability insurance policy
24 that provides automobile liability insurance coverage of
25 at least \$100,000 for bodily injury to or the death of any
26 person, \$300,000 for bodily injury to or the death of any 2

1 or more persons in any one accident, and \$50,000 for damage
2 to property, then the permitted user's insurer shall be the
3 primary insurer and the dealer's insurer shall be the
4 secondary insurer. If the permitted user does not have a
5 liability insurance policy that provides automobile
6 liability insurance coverage of at least \$100,000 for
7 bodily injury to or the death of any person, \$300,000 for
8 bodily injury to or the death of any 2 or more persons in
9 any one accident, and \$50,000 for damage to property, or
10 does not have any insurance at all, then the dealer's
11 insurer shall be the primary insurer and the permitted
12 user's insurer shall be the secondary insurer.

13 When a permitted user is "test driving" a used vehicle
14 dealer's automobile, the used vehicle dealer's insurance
15 shall be primary and the permitted user's insurance shall
16 be secondary.

17 As used in this paragraph 4, a "permitted user" is a
18 person who, with the permission of the used vehicle dealer
19 or an employee of the used vehicle dealer, drives a vehicle
20 owned and held for sale or lease by the used vehicle dealer
21 which the person is considering to purchase or lease, in
22 order to evaluate the performance, reliability, or
23 condition of the vehicle. The term "permitted user" also
24 includes a person who, with the permission of the used
25 vehicle dealer, drives a vehicle owned or held for sale or
26 lease by the used vehicle dealer for loaner purposes while

1 the user's vehicle is being repaired or evaluated.

2 As used in this paragraph 4, "test driving" occurs when
3 a permitted user who, with the permission of the used
4 vehicle dealer or an employee of the used vehicle dealer,
5 drives a vehicle owned and held for sale or lease by a used
6 vehicle dealer that the person is considering to purchase
7 or lease, in order to evaluate the performance,
8 reliability, or condition of the vehicle.

9 As used in this paragraph 4, "loaner purposes" means
10 when a person who, with the permission of the used vehicle
11 dealer, drives a vehicle owned or held for sale or lease by
12 the used vehicle dealer while the user's vehicle is being
13 repaired or evaluated.

14 5. An application for a used vehicle dealer's license
15 shall be accompanied by the following license fees:

16 (A) \$1,000 for applicant's established place of
17 business, and \$50 for each additional place of
18 business, if any, to which the application pertains;
19 however, if the application is made after June 15 of
20 any year, the license fee shall be \$500 for applicant's
21 established place of business plus \$25 for each
22 additional place of business, if any, to which the
23 application pertains. License fees shall be returnable
24 only in the event that the application is denied by the
25 Secretary of State. Of the money received by the
26 Secretary of State as license fees under this

1 subparagraph (A) for the 2004 licensing year and
2 thereafter, 95% shall be deposited into the General
3 Revenue Fund.

4 (B) Except for dealers selling 25 or fewer
5 automobiles or as provided in subsection (h) of Section
6 5-102.7 of this Code, an Annual Dealer Recovery Fund
7 Fee in the amount of \$500 for the applicant's
8 established place of business, and \$50 for each
9 additional place of business, if any, to which the
10 application pertains; but if the application is made
11 after June 15 of any year, the fee shall be \$250 for
12 the applicant's established place of business plus \$25
13 for each additional place of business, if any, to which
14 the application pertains. For a license renewal
15 application, the fee shall be based on the amount of
16 automobiles sold in the past year according to the
17 following formula:

18 (1) \$0 for dealers selling 25 or less
19 automobiles;

20 (2) \$150 for dealers selling more than 25 but
21 less than 200 automobiles;

22 (3) \$300 for dealers selling 200 or more
23 automobiles but less than 300 automobiles; and

24 (4) \$500 for dealers selling 300 or more
25 automobiles.

26 License fees shall be returnable only in the event

1 that the application is denied by the Secretary of
2 State. Moneys received under this subparagraph (B)
3 shall be deposited into the Dealer Recovery Trust Fund.

4 6. A statement that the applicant's officers,
5 directors, shareholders having a 10% or greater ownership
6 interest therein, proprietor, partner, member, officer,
7 director, trustee, manager or other principals in the
8 business have not committed in the past 3 years any one
9 violation as determined in any civil, criminal or
10 administrative proceedings of any one of the following
11 Acts:

12 (A) The Anti-Theft ~~Anti-Theft~~ Laws of the Illinois
13 Vehicle Code;

14 (B) The Certificate of Title Laws of the Illinois
15 Vehicle Code;

16 (C) The Offenses against Registration and
17 Certificates of Title Laws of the Illinois Vehicle
18 Code;

19 (D) The Dealers, Transporters, Wreckers and
20 Rebuilders Laws of the Illinois Vehicle Code;

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

24 (F) The Retailers' Occupation Tax Act.

25 7. A statement that the applicant's officers,
26 directors, shareholders having a 10% or greater ownership

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

7 (A) The Consumer Finance Act;

8 (B) The Consumer Installment Loan Act;

9 (C) The Retail Installment Sales Act;

10 (D) The Motor Vehicle Retail Installment Sales
11 Act;

12 (E) The Interest Act;

13 (F) The Illinois Wage Assignment Act;

14 (G) Part 8 of Article XII of the Code of Civil
15 Procedure; or

16 (H) The Consumer Fraud Act.

17 7.5. A statement that, within 10 years of application,
18 the applicant's officers, directors, shareholders having a
19 10% or greater ownership interest therein, proprietor,
20 partner, member, officer, director, trustee, manager or
21 other principals in the business have not been convicted in
22 any calendar year of one or more violations of a forcible
23 felony under the Criminal Code of 1961 or the Criminal Code
24 of 2012 or a similar out-of-state offense. For the purposes
25 of this paragraph, "forcible felony" has the meaning as
26 defined in Section 2-8 of the Criminal Code of 2012.

1 8. A bond or Certificate of Deposit in the amount of
2 \$20,000 for each location at which the applicant intends to
3 act as a used vehicle dealer. The bond shall be for the
4 term of the license, or its renewal, for which application
5 is made, and shall expire not sooner than December 31 of
6 the year for which the license was issued or renewed. The
7 bond shall run to the People of the State of Illinois, with
8 surety by a bonding or insurance company authorized to do
9 business in this State. It shall be conditioned upon the
10 proper transmittal of all title and registration fees and
11 taxes (excluding taxes under the Retailers' Occupation Tax
12 Act) accepted by the applicant as a used vehicle dealer.

13 9. Such other information concerning the business of
14 the applicant as the Secretary of State may by rule or
15 regulation prescribe.

16 10. A statement that the applicant understands Chapter
17 1 through Chapter 5 of this Code.

18 11. A copy of the certification from the prelicensing
19 education program.

20 (c) Any change which renders no longer accurate any
21 information contained in any application for a used vehicle
22 dealer's license shall be amended within 30 days after the
23 occurrence of each change on such form as the Secretary of
24 State may prescribe by rule or regulation, accompanied by an
25 amendatory fee of \$2.

26 (d) Anything in this Chapter to the contrary

1 notwithstanding, no person shall be licensed as a used vehicle
2 dealer unless such person maintains an established place of
3 business as defined in this Chapter.

4 (e) The Secretary of State shall, within a reasonable time
5 after receipt, examine an application submitted to him under
6 this Section. Unless the Secretary makes a determination that
7 the application submitted to him does not conform to this
8 Section or that grounds exist for a denial of the application
9 under Section 5-501 of this Chapter, he must grant the
10 applicant an original used vehicle dealer's license in writing
11 for his established place of business and a supplemental
12 license in writing for each additional place of business in
13 such form as he may prescribe by rule or regulation which shall
14 include the following:

- 15 1. The name of the person licensed;
- 16 2. If a corporation, the name and address of its
17 officers or if a sole proprietorship, a partnership, an
18 unincorporated association or any similar form of business
19 organization, the name and address of the proprietor or of
20 each partner, member, officer, director, trustee or
21 manager;
- 22 3. In case of an original license, the established
23 place of business of the licensee;
- 24 4. In the case of a supplemental license, the
25 established place of business of the licensee and the
26 additional place of business to which such supplemental

1 license pertains.

2 (f) The appropriate instrument evidencing the license or a
3 certified copy thereof, provided by the Secretary of State
4 shall be kept posted, conspicuously, in the established place
5 of business of the licensee and in each additional place of
6 business, if any, maintained by such licensee.

7 (g) Except as provided in subsection (h) of this Section,
8 all used vehicle dealer's licenses granted under this Section
9 expire by operation of law on December 31 of the calendar year
10 for which they are granted unless sooner revoked or cancelled
11 under Section 5-501 of this Chapter.

12 (h) A used vehicle dealer's license may be renewed upon
13 application and payment of the fee required herein, and
14 submission of proof of coverage by an approved bond under the
15 "Retailers' Occupation Tax Act" or proof that applicant is not
16 subject to such bonding requirements, as in the case of an
17 original license, but in case an application for the renewal of
18 an effective license is made during the month of December, the
19 effective license shall remain in force until the application
20 for renewal is granted or denied by the Secretary of State.

21 (i) All persons licensed as a used vehicle dealer are
22 required to furnish each purchaser of a motor vehicle:

23 1. A certificate of title properly assigned to the
24 purchaser;

25 2. A statement verified under oath that all identifying
26 numbers on the vehicle agree with those on the certificate

1 of title;

2 3. A bill of sale properly executed on behalf of such
3 person;

4 4. A copy of the Uniform Invoice-transaction reporting
5 return referred to in Section 5-402 of this Chapter;

6 5. In the case of a rebuilt vehicle, a copy of the
7 Disclosure of Rebuilt Vehicle Status; and

8 6. In the case of a vehicle for which the warranty has
9 been reinstated, a copy of the warranty.

10 (j) A real estate broker holding a valid certificate of
11 registration issued pursuant to "The Real Estate Brokers and
12 Salesmen License Act" may engage in the business of selling or
13 dealing in house trailers not his own without being licensed as
14 a used vehicle dealer under this Section; however such broker
15 shall maintain a record of the transaction including the
16 following:

17 (1) the name and address of the buyer and seller,

18 (2) the date of sale,

19 (3) a description of the mobile home, including the
20 vehicle identification number, make, model, and year, and

21 (4) the Illinois certificate of title number.

22 The foregoing records shall be available for inspection by
23 any officer of the Secretary of State's Office at any
24 reasonable hour.

25 (k) Except at the time of sale or repossession of the
26 vehicle, no person licensed as a used vehicle dealer may issue

1 any other person a newly created key to a vehicle unless the
2 used vehicle dealer makes a copy of the driver's license or
3 State identification card of the person requesting or obtaining
4 the newly created key. The used vehicle dealer must retain the
5 copy for 30 days.

6 A used vehicle dealer who violates this subsection (k) is
7 guilty of a petty offense. Violation of this subsection (k) is
8 not cause to suspend, revoke, cancel, or deny renewal of the
9 used vehicle dealer's license.

10 (1) Used vehicle dealers licensed under this Section shall
11 provide the Secretary of State a register for the sale at
12 auction of each salvage or junk certificate vehicle. Each
13 register shall include the following information:

14 1. The year, make, model, style and color of the
15 vehicle;

16 2. The vehicle's manufacturer's identification number
17 or, if applicable, the Secretary of State or Illinois
18 Department of State Police identification number;

19 3. The date of acquisition of the vehicle;

20 4. The name and address of the person from whom the
21 vehicle was acquired;

22 5. The name and address of the person to whom any
23 vehicle was disposed, the person's Illinois license number
24 or if the person is an out-of-state salvage vehicle buyer,
25 the license number from the state or jurisdiction where the
26 buyer is licensed; and

1 6. The purchase price of the vehicle.

2 The register shall be submitted to the Secretary of State
3 via written or electronic means within 10 calendar days from
4 the date of the auction.

5 (Source: P.A. 97-480, eff. 10-1-11; 97-1150, eff. 1-25-13;
6 98-450, eff. 1-1-14; revised 12-10-14.)

7 Section 99. Effective date. This Act takes effect January
8 1, 2016.