

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 1-118, 5-301, 5-503, 6-201, and 6-401 and by adding
6 Section 5-501.5 as follows:

7 (625 ILCS 5/1-118) (from Ch. 95 1/2, par. 1-118)

8 Sec. 1-118. Essential parts. All integral and body parts of
9 a vehicle of a type required to be registered hereunder, the
10 removal, alteration or substitution of which would tend to
11 conceal the identity of the vehicle or substantially alter its
12 appearance, model, type or mode of operation. "Essential parts"
13 includes the following: vehicle hulks, shells, chassis,
14 frames, front end assemblies (which may consist of headlight,
15 grill, fenders and hood), front clip (front end assembly with
16 cowl attached), rear clip (which may consist of quarter panels,
17 fenders, floor and top), doors, hatchbacks, fenders, cabs, cab
18 clips, cowls, hoods, trunk lids, deck lids, bed, front bumper,
19 rear bumper, ~~T-tops, sunroofs, moon roofs, astro roofs,~~
20 ~~transmissions of vehicles of the second division,~~ seats,
21 ~~aluminum wheels,~~ engines and similar parts. Essential parts
22 also includes fairings, fuel tanks, and forks of motorcycles.
23 Essential parts shall also include stereo radios, ~~cassette~~

1 ~~radios, compact disc radios, cassette/compact disc radios and~~
2 ~~compact disc players and compact disc changers which are either~~
3 ~~installed in dash or trunk mounted.~~

4 An essential part which does not have affixed to it an
5 identification number as defined in Section 1-129 adopts the
6 identification number of the vehicle to which such part is
7 affixed, installed or mounted.

8 An "essential part" does not include an engine,
9 transmission, or a rear axle that is used in a glider kit.

10 (Source: P.A. 99-748, eff. 8-5-16.)

11 (625 ILCS 5/5-301) (from Ch. 95 1/2, par. 5-301)

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

14 (a) No person in this State shall, except as an incident to
15 the servicing of vehicles, carry on or conduct the business of
16 an automotive parts recycler, a scrap processor, a repairer, or
17 a rebuilder, unless licensed to do so in writing by the
18 Secretary of State under this Section. No person shall rebuild
19 a salvage vehicle unless such person is licensed as a rebuilder
20 by the Secretary of State under this Section. No person shall
21 engage in the business of acquiring 5 or more previously owned
22 vehicles in one calendar year for the primary purpose of
23 disposing of those vehicles in the manner described in the
24 definition of a "scrap processor" in this Code unless the
25 person is licensed as an automotive parts recycler by the

1 Secretary of State under this Section. Each license shall be
2 applied for and issued separately, except that a license issued
3 to a new vehicle dealer under Section 5-101 of this Code shall
4 also be deemed to be a repairer license.

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

8 1. The name and type of business organization of the
9 applicant and his principal or additional places of
10 business, if any, in this State.

11 2. The kind or kinds of business enumerated in
12 subsection (a) of this Section to be conducted at each
13 location.

14 3. 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 4. A statement that the applicant's officers,
24 directors, shareholders having a ten percent or greater
25 ownership interest therein, proprietor, partner, member,
26 officer, director, trustee, manager, or other principals

1 in the business have not committed in the past three years
2 any one violation as determined in any civil or criminal or
3 administrative proceedings of any one of the following
4 Acts:

5 (a) The Anti-Theft Laws of the Illinois Vehicle
6 Code;

7 (b) The "Certificate of Title Laws" of the Illinois
8 Vehicle Code;

9 (c) The "Offenses against Registration and
10 Certificates of Title Laws" of the Illinois Vehicle
11 Code;

12 (d) The "Dealers, Transporters, Wreckers and
13 Rebuilders Laws" of the Illinois Vehicle Code;

14 (e) Section 21-2 of the Criminal Code of 1961 or
15 the Criminal Code of 2012, Criminal Trespass to
16 Vehicles; or

17 (f) The Retailers Occupation Tax Act.

18 5. A statement that the applicant's officers,
19 directors, shareholders having a ten percent or greater
20 ownership interest therein, proprietor, partner, member,
21 officer, director, trustee, manager or other principals in
22 the business have not committed in any calendar year 3 or
23 more violations, as determined in any civil or criminal or
24 administrative proceedings, of any one or more of the
25 following Acts:

26 (a) The Consumer Finance Act;

- 1 (b) The Consumer Installment Loan Act;
- 2 (c) The Retail Installment Sales Act;
- 3 (d) The Motor Vehicle Retail Installment Sales
- 4 Act;
- 5 (e) The Interest Act;
- 6 (f) The Illinois Wage Assignment Act;
- 7 (g) Part 8 of Article XII of the Code of Civil
- 8 Procedure; or
- 9 (h) The Consumer Fraud Act.

10 6. An application for a license shall be accompanied by

11 the following fees: \$50 for applicant's established place

12 of business; \$25 for each additional place of business, if

13 any, to which the application pertains; provided, however,

14 that if such an application is made after June 15 of any

15 year, the license fee shall be \$25 for applicant's

16 established place of business plus \$12.50 for each

17 additional place of business, if any, to which the

18 application pertains. License fees shall be returnable

19 only in the event that such application shall be denied by

20 the Secretary of State.

21 7. A statement that the applicant understands Chapter 1

22 through Chapter 5 of this Code.

23 8. A statement that the applicant shall comply with

24 subsection (e) of this Section.

25 9. A statement indicating if the applicant, including

26 any of the applicant's affiliates or predecessor

1 corporations, has been subject to the revocation or
2 nonrenewal of a business license by a municipality under
3 Section 5-501.5 of this Code.

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

10 (d) Anything in this chapter to the contrary,
11 notwithstanding, no person shall be licensed under this Section
12 unless such person shall maintain an established place of
13 business as defined in this Chapter.

14 (e) The Secretary of State shall within a reasonable time
15 after receipt thereof, examine an application submitted to him
16 under this Section and unless he makes a determination that the
17 application submitted to him does not conform with the
18 requirements of this Section or that grounds exist for a denial
19 of the application, as prescribed in Section 5-501 of this
20 Chapter, grant the applicant an original license as applied for
21 in writing for his established place of business and a
22 supplemental license in writing for each additional place of
23 business in such form as he may prescribe by rule or regulation
24 which shall include the following:

- 25 1. The name of the person licensed;
- 26 2. If a corporation, the name and address of its

1 officers or if a sole proprietorship, a partnership, an
2 unincorporated association or any similar form of business
3 organization, the name and address of the proprietor or of
4 each partner, member, officer, director, trustee or
5 manager;

6 3. A designation of the kind or kinds of business
7 enumerated in subsection (a) of this Section to be
8 conducted at each location;

9 4. In the case of an original license, the established
10 place of business of the licensee;

11 5. In the case of a supplemental license, the
12 established place of business of the licensee and the
13 additional place of business to which such supplemental
14 license pertains.

15 (f) The appropriate instrument evidencing the license or a
16 certified copy thereof, provided by the Secretary of State
17 shall be kept, posted, conspicuously in the established place
18 of business of the licensee and in each additional place of
19 business, if any, maintained by such licensee. The licensee
20 also shall post conspicuously in the established place of
21 business and in each additional place of business a notice
22 which states that such business is required to be licensed by
23 the Secretary of State under Section 5-301, and which provides
24 the license number of the business and the license expiration
25 date. This notice also shall advise the consumer that any
26 complaints as to the quality of service may be brought to the

1 attention of the Attorney General. The information required on
2 this notice also shall be printed conspicuously on all
3 estimates and receipts for work by the licensee subject to this
4 Section. The Secretary of State shall prescribe the specific
5 format of this notice.

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

11 (h) Any license granted under this Section may be renewed
12 upon application and payment of the fee required herein as in
13 the case of an original license, provided, however, that in
14 case an application for the renewal of an effective license is
15 made during the month of December, such effective license shall
16 remain in force until such application is granted or denied by
17 the Secretary of State.

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

21 1. Provide proof that the property on which first time
22 applicants plan to do business is in compliance with local
23 zoning laws and regulations, and a listing of zoning
24 classification;

25 2. Provide proof that the applicant for a repairer's
26 license complies with the proper workers' compensation

1 rate code or classification, and listing the code of
2 classification for that industry;

3 3. Provide proof that the applicant for a rebuilder's
4 license complies with the proper workers' compensation
5 rate code or classification for the repair industry or the
6 auto parts recycling industry and listing the code of
7 classification;

8 4. Provide proof that the applicant has obtained or
9 applied for a hazardous waste generator number, and listing
10 the actual number if available or certificate of exemption;

11 5. Provide proof that applicant has proper liability
12 insurance, and listing the name of the insurer and the
13 policy number; and

14 6. Provide proof that the applicant has obtained or
15 applied for the proper State sales tax classification and
16 federal identification tax number, and listing the actual
17 numbers if available.

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

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

24 1. Provide a statement that the applicant purchases 5
25 vehicles per year or has 5 hulks or chassis in stock;

26 2. Provide proof that the property on which all first

1 time applicants will do business does comply to the proper
2 local zoning laws in existence, and a listing of zoning
3 classifications;

4 3. Provide proof that applicant complies with the
5 proper workers' compensation rate code or classification,
6 and listing the code of classification; and

7 4. Provide proof that applicant has obtained or applied
8 for the proper State sales tax classification and federal
9 identification tax number, and listing the actual numbers
10 if available.

11 (Source: P.A. 97-832, eff. 7-20-12; 97-1150, eff. 1-25-13;
12 98-756, eff. 7-16-14.)

13 (625 ILCS 5/5-501.5 new)

14 Sec. 5-501.5. License eligibility; fraud.

15 (a) For purposes of this Section, an "automotive parts
16 recycler, scrap processor, repairer, or rebuilder" includes
17 any owners, operators, principals, shareholders, partners, or
18 directors that have ownership interest or managerial authority
19 in the business at the time the fraud or misconduct occurred.

20 (b) Notwithstanding any other provision of law to the
21 contrary, an automotive parts recycler, scrap processor,
22 repairer, or rebuilder with a business license issued by a
23 municipality that has been revoked or nonrenewed due to fraud
24 or misconduct committed against the municipality within 3 years
25 preceding the effective date of this amendatory Act of the

1 100th General Assembly or on or after the effective date of
2 this amendatory Act of the 100th General Assembly shall not be
3 eligible for a license or license renewal under Section 5-301
4 of this Code.

5 (c) No later than 30 days after the effective date of this
6 amendatory Act of the 100th General Assembly, a municipality
7 that has revoked or nonrenewed a business license under
8 subsection (b) of this Section shall:

9 (1) notify the Secretary of State of the revocation or
10 nonrenewal; and

11 (2) notify any other municipality in which the former
12 licensee is known to conduct business that the former
13 licensee's business license has been revoked or nonrenewed
14 due to fraud or misconduct committed against the
15 municipality.

16 (d) No later than 30 days after receiving a notice required
17 under paragraph (2) of subsection (c) of this Section, a
18 municipality shall take all actions necessary to revoke or, if
19 the business license is set to expire within a 30-day period of
20 the notice, prohibit renewal of the licensee's business
21 license.

22 (d-5) No later than 30 days after receiving notice under
23 paragraph (1) of subsection (c) of this Section, the Secretary
24 shall notify the former licensee that it is not eligible to
25 conduct business in this State as an automotive parts recycler,
26 scrap processor, repairer, or rebuilder.

1 (e) An automotive parts recycler, scrap processor,
2 repairer, or rebuilder shall be fined \$1,000 for each day it
3 conducts business in this State in violation of this Section.

4 (f) No unit of local government, including a home rule
5 unit, may regulate business licenses in a manner inconsistent
6 with this Section. This subsection (f) is a limitation under
7 subsection (i) of Section 6 of Article VII of the Illinois
8 Constitution on the concurrent exercise by home rule units of
9 powers and functions exercised by the State.

10 (625 ILCS 5/5-503) (from Ch. 95 1/2, par. 5-503)

11 Sec. 5-503. Failure to obtain dealer's license, operation
12 of a business with a suspended or revoked license. (a) Any
13 person operating a business for which he is required to be
14 licensed under Section 5-101, 5-102, 5-201 or 5-301 who fails
15 to apply for such a license or licenses within 15 days after
16 being informed in writing by the Secretary of State that he
17 must obtain such a license or licenses is subject to a civil
18 action brought by the Secretary of State for operating a
19 business without a license in the circuit court in the county
20 in which the business is located. If the person is found to be
21 in violation of Section 5-101, 5-102, 5-201 or 5-301 by
22 carrying on a business without being properly licensed, that
23 person shall be fined \$300 for each business day he conducted
24 his business without such a license after the expiration of the
25 15 day period specified in this subsection (a).

1 (b) Any person who, having had his license or licenses
2 issued under Section 5-101, 5-102, 5-201 or 5-301 suspended,
3 revoked, nonrenewed, cancelled, or denied by the Secretary of
4 State under Section 5-501 or 5-501.5 of this Code, continues to
5 operate business after the effective date of such revocation,
6 nonrenewal, suspension, cancellation, or denial may be sued in
7 a civil action by the Secretary of State in the county in which
8 the established or additional place of such business is
9 located. Except as provided in subsection (e) of Section
10 5-501.5 of this Code, if ~~if~~ such person is found by the court
11 to have operated such a business after the license or licenses
12 required for conducting such business have been suspended,
13 revoked, nonrenewed, cancelled, or denied, that person shall be
14 fined \$500 for each day he conducted business thereafter.

15 (Source: P.A. 86-444.)

16 (625 ILCS 5/6-201)

17 Sec. 6-201. Authority to cancel licenses and permits.

18 (a) The Secretary of State is authorized to cancel any
19 license or permit upon determining that the holder thereof:

20 1. was not entitled to the issuance thereof hereunder;

21 or

22 2. failed to give the required or correct information
23 in his application; or

24 3. failed to pay any fees, civil penalties owed to the
25 Illinois Commerce Commission, or taxes due under this Act

1 and upon reasonable notice and demand; or

2 4. committed any fraud in the making of such
3 application; or

4 5. is ineligible therefor under the provisions of
5 Section 6-103 of this Act, as amended; or

6 6. has refused or neglected to submit an alcohol, drug,
7 and intoxicating compound evaluation or to submit to
8 examination or re-examination as required under this Act;
9 or

10 7. has been convicted of violating the Cannabis Control
11 Act, the Illinois Controlled Substances Act, the
12 Methamphetamine Control and Community Protection Act, or
13 the Use of Intoxicating Compounds Act while that individual
14 was in actual physical control of a motor vehicle. For
15 purposes of this Section, any person placed on probation
16 under Section 10 of the Cannabis Control Act, Section 410
17 of the Illinois Controlled Substances Act, or Section 70 of
18 the Methamphetamine Control and Community Protection Act
19 shall not be considered convicted. Any person found guilty
20 of this offense, while in actual physical control of a
21 motor vehicle, shall have an entry made in the court record
22 by the judge that this offense did occur while the person
23 was in actual physical control of a motor vehicle and order
24 the clerk of the court to report the violation to the
25 Secretary of State as such. After the cancellation, the
26 Secretary of State shall not issue a new license or permit

1 for a period of one year after the date of cancellation.
2 However, upon application, the Secretary of State may, if
3 satisfied that the person applying will not endanger the
4 public safety, or welfare, issue a restricted driving
5 permit granting the privilege of driving a motor vehicle
6 between the petitioner's residence and petitioner's place
7 of employment or within the scope of the petitioner's
8 employment related duties, or to allow transportation for
9 the petitioner or a household member of the petitioner's
10 family for the receipt of necessary medical care, or
11 provide transportation for the petitioner to and from
12 alcohol or drug remedial or rehabilitative activity
13 recommended by a licensed service provider, or for the
14 petitioner to attend classes, as a student, in an
15 accredited educational institution. The petitioner must
16 demonstrate that no alternative means of transportation is
17 reasonably available; provided that the Secretary's
18 discretion shall be limited to cases where undue hardship,
19 as defined by the rules of the Secretary of State, would
20 result from a failure to issue such restricted driving
21 permit. In each case the Secretary of State may issue such
22 restricted driving permit for such period as he deems
23 appropriate, except that such permit shall expire within
24 one year from the date of issuance. A restricted driving
25 permit issued hereunder shall be subject to cancellation,
26 revocation and suspension by the Secretary of State in like

1 manner and for like cause as a driver's license issued
2 hereunder may be cancelled, revoked or suspended; except
3 that a conviction upon one or more offenses against laws or
4 ordinances regulating the movement of traffic shall be
5 deemed sufficient cause for the revocation, suspension or
6 cancellation of a restricted driving permit. The Secretary
7 of State may, as a condition to the issuance of a
8 restricted driving permit, require the applicant to
9 participate in a driver remedial or rehabilitative
10 program. In accordance with 49 C.F.R. 384, the Secretary of
11 State may not issue a restricted driving permit for the
12 operation of a commercial motor vehicle to a person holding
13 a CDL whose driving privileges have been revoked,
14 suspended, cancelled, or disqualified under this Code; or

15 8. failed to submit a report as required by Section
16 6-116.5 of this Code; or

17 9. has been convicted of a sex offense as defined in
18 the Sex Offender Registration Act. The driver's license
19 shall remain cancelled until the driver registers as a sex
20 offender as required by the Sex Offender Registration Act,
21 proof of the registration is furnished to the Secretary of
22 State and the sex offender provides proof of current
23 address to the Secretary; or

24 10. is ineligible for a license or permit under Section
25 6-107, 6-107.1, or 6-108 of this Code; or

26 11. refused or neglected to appear at a Driver Services

1 facility to have the license or permit corrected and a new
2 license or permit issued or to present documentation for
3 verification of identity; or

4 12. failed to submit a medical examiner's certificate
5 or medical variance as required by 49 C.F.R. 383.71 or
6 submitted a fraudulent medical examiner's certificate or
7 medical variance; or

8 13. has had his or her medical examiner's certificate,
9 medical variance, or both removed or rescinded by the
10 Federal Motor Carrier Safety Administration; or

11 14. failed to self-certify as to the type of driving in
12 which the CDL driver engages or expects to engage; or

13 15. has submitted acceptable documentation indicating
14 out-of-state residency to the Secretary of State to be
15 released from the requirement of showing proof of financial
16 responsibility in this State; or

17 16. was convicted of fraud relating to the testing or
18 issuance of a CDL or CLP, in which case only the CDL or CLP
19 shall be cancelled. After cancellation, the Secretary
20 shall not issue a CLP or CDL for a period of one year from
21 the date of cancellation; or

22 17. has a special restricted license under subsection
23 (g) of Section 6-113 of this Code and failed to submit the
24 required annual vision specialist report that the special
25 restricted license holder's vision has not changed; or

26 18. has a special restricted license under subsection

1 (g) of Section 6-113 of this Code and was convicted or
2 received court supervision for a violation of this Code
3 that occurred during nighttime hours or was involved in a
4 motor vehicle accident during nighttime hours in which the
5 restricted license holder was at fault; or -

6 19. has assisted an out-of-state resident in acquiring
7 an Illinois driver's license or identification card by
8 providing or allowing the out-of-state resident to use his
9 or her Illinois address of residence and is complicit in
10 distributing and forwarding the Illinois driver's license
11 or identification card to the out-of-state resident.

12 (b) Upon such cancellation the licensee or permittee must
13 surrender the license or permit so cancelled to the Secretary
14 of State.

15 (c) Except as provided in Sections 6-206.1 and 7-702.1, the
16 Secretary of State shall have exclusive authority to grant,
17 issue, deny, cancel, suspend and revoke driving privileges,
18 drivers' licenses and restricted driving permits.

19 (d) The Secretary of State may adopt rules to implement
20 this Section.

21 (Source: P.A. 97-208, eff. 1-1-12; 97-229, eff. 7-28-11;
22 97-813, eff. 7-13-12; 97-835, eff. 7-20-12; 98-176 (see Section
23 10 of P.A. 98-722 and Section 10 of P.A. 99-414 for the
24 effective date of changes made by P.A. 98-176); 98-178, eff.
25 1-1-14; 98-747, eff. 1-1-15; 98-756, eff. 7-16-14.)

1 (625 ILCS 5/6-401) (from Ch. 95 1/2, par. 6-401)

2 Sec. 6-401. Driver training schools-license required.

3 (a) No person, firm, association, partnership or
4 corporation shall operate a driver training school or engage in
5 the business of giving instruction for hire or for a fee in (1)
6 the driving of motor vehicles; or (2) the preparation of an
7 applicant for examination given by the Secretary of State for a
8 drivers license or permit, unless a license therefor has been
9 issued by the Secretary. No public schools or educational
10 institutions shall contract with entities engaged in the
11 business of giving instruction for hire or for a fee in the
12 driving of motor vehicles for the preparation of an applicant
13 for examination given by the Secretary of State for a driver's
14 license or permit, unless a license therefor has been issued by
15 the Secretary.

16 This subsection (a) ~~Section~~ shall not apply to (i) public
17 schools or to educational institutions in which driving
18 instruction is part of the curriculum, (ii) employers giving
19 instruction to their employees, or (iii) schools that teach
20 enhanced driving skills to licensed drivers as set forth in
21 Article X of Chapter 6 of this Code.

22 (b) Any person, firm, association, partnership, or
23 corporation that violates subsection (a) of this Section shall
24 be guilty of a Class A misdemeanor for a first offense and a
25 Class 4 felony for a second or subsequent offense.

26 (Source: P.A. 96-740, eff. 1-1-10; 96-962, eff. 7-2-10; 97-229,

1 eff. 7-28-11.)

2 Section 99. Effective date. This Act takes effect upon
3 becoming law.