



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

SB1556

Introduced 2/9/2017, by Sen. Bill Cunningham

SYNOPSIS AS INTRODUCED:

See Index

Amends the Illinois Vehicle Code. Adds to the definition of "junk vehicle" and "remittance agent". Provides that a certificate of title issued by the Secretary of State shall contain the names and fax numbers or electronic addresses of any lienholders (rather than only the names of the lienholders) and the certificate's expiration date. Provides that an expiration date of 2 calendar years after the end of term of the lien shall be included in each certificate of title issued to a lienholder who has a perfected security interest. Provides that if a recorded lienholder does not reaffirm a lien and does not respond to a request to verify a lien release letter within 7 calendar days of receipt, the Secretary shall process an application for corrected title for the owner of a motor vehicle. Provides that the Secretary may issue a certificate of title to an out-of-state resident if the out-of-state resident is a bona fide purchaser of a vehicle or a manufactured home from a dealer licensed in this State and the licensed dealer is no longer operating as a licensed dealer and does not properly transfer the title application to the bona fide purchaser prior to the licensed dealer's business closure. Adds to the special license plates a person may reclassify without a replacement plate fee beginning with the 2019 (rather than 2018) registration year. Provides that the bond amount required to be deposited with the Secretary for each applicant who intends to act as a remittance agent shall be \$20,000 (rather than \$10,000). Provides that an application for a new vehicle dealer's license or a used vehicle dealer's license shall contain a bond or certificate of deposit in the amount of \$50,000 (rather than \$20,000). Creates provisions concerning rental-purchase agreement vehicle programs. Effective January 1, 2018.

LRB100 08798 AXK 18937 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

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 1-134.1, 1-171.01a, 3-107, 3-116, 3-203, 3-802,
6 3-905, 5-101, 5-102, 5-503, and 6-305 as follows:

7 (625 ILCS 5/1-134.1) (from Ch. 95 1/2, par. 1-134.1)

8 Sec. 1-134.1. Junk vehicle. A junk vehicle is a vehicle
9 which has been or is being disassembled, crushed, compressed,
10 flattened, destroyed or otherwise reduced to a state in which
11 it no longer can be returned to an operable state, or has been
12 branded or assigned as junk or a similar designation by another
13 state or jurisdiction.

14 (Source: P.A. 83-1473.)

15 (625 ILCS 5/1-171.01a)

16 Sec. 1-171.01a. Remittance agent. For the purposes of
17 Article IX of Chapter 3, the term "remittance agent" means any
18 person who holds himself or herself out to the public as being
19 engaged in or who engages in accepting money for remittance to
20 the State of Illinois or any of its instrumentalities or
21 political subdivisions, or to any of their officials, for the
22 payment of registration plates, vehicle certificates of title,

1 taxes, or registration fees regardless of when the money is
2 accepted from the public or remitted to the State, whether or
3 not the person renders any other service in connection with the
4 making of any such remittance or is engaged in any other
5 endeavor. The term "remittance agent" also includes any person
6 who holds himself or herself out to the public as being engaged
7 in or who engages in accepting money for consulting or advising
8 the public on matters concerning vehicle certificates of title,
9 taxes, registration renewals, registration plates, or
10 applications for title. The term "remittance agent" does not
11 include any licensed dealer in motor vehicles who accepts money
12 for remittance to the State of Illinois for the payment of
13 registration plates, vehicle certificates of title, taxes, or
14 registration fees as an incident to his or her business as a
15 motor vehicle dealer.

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

17 (625 ILCS 5/3-107) (from Ch. 95 1/2, par. 3-107)

18 Sec. 3-107. Contents and effect.

19 (a) Each certificate of title issued by the Secretary of
20 State shall contain:

- 21 1. the date issued;
- 22 2. the name and address of the owner;
- 23 3. the names, ~~and~~ addresses, and fax numbers or
24 electronic addresses of any lienholders, in the order of
25 priority as shown on the application or, if the application

1 is based on a certificate of title, as shown on the
2 certificate, and an expiration date of 2 calendar years
3 after the end of term of the lien;

4 4. the title number assigned to the vehicle;

5 5. a description of the vehicle including, so far as
6 the following data exists: its make, year-model,
7 identifying number, type of body, whether new or used, as
8 to house trailers as defined in Section 1-128 of this Code,
9 and as to manufactured homes as defined in Section 1-144.03
10 of this Code, the square footage of the vehicle based upon
11 the outside dimensions excluding the length of the tongue
12 and hitch, and, if a new vehicle, the date of the first
13 sale of the vehicle for use;

14 6. an odometer certification as provided for in this
15 Code; and

16 7. any other data the Secretary of State prescribes.

17 (a-5) In the event the applicant seeks to have the vehicle
18 titled as a custom vehicle or street rod, that fact must be
19 stated in the application. The custom vehicle or street rod
20 must be inspected as required by Section 3-406 of this Code
21 prior to issuance of the title. Upon successful completion of
22 the inspection, the vehicle may be titled in the following
23 manner. The make of the vehicle shall be listed as the make of
24 the actual vehicle or the make it is designed to resemble
25 (e.g., Ford or Chevrolet); the model of the vehicle shall be
26 listed as custom vehicle or street rod; and the year of the

1 vehicle shall be listed as the year the actual vehicle was
2 manufactured or the year it is designed to resemble. A vehicle
3 previously titled as other than a custom vehicle or street rod
4 may be issued a corrected title reflecting the custom vehicle
5 or street rod model if it otherwise meets the requirements for
6 the designation.

7 (a-10) In the event the applicant seeks to have the vehicle
8 titled as a glider kit, that fact must be stated in the
9 application. The glider kit must be inspected under Section
10 3-406 of this Code prior to issuance of the title. Upon
11 successful completion of the inspection, the vehicle shall be
12 titled in the following manner: (1) the make of the vehicle
13 shall be listed as the make of the chassis or the make it is
14 designed to resemble; (2) the model of the vehicle shall be
15 listed as glider kit; and (3) the year of the vehicle shall be
16 listed as the year presented on the manufacturer's certificate
17 of origin for the chassis, unless no year is presented, then it
18 shall be listed as the year the application was received. The
19 vehicle identification number of the chassis shall be assigned
20 to the engine, transmission, and rear axle if the engine,
21 transmission, and rear axle were not previously assigned a
22 vehicle identification number after an inspection under
23 Section 3-406.

24 (b) The certificate of title shall contain forms for
25 assignment and warranty of title by the owner, and for
26 assignment and warranty of title by a dealer, and may contain

1 forms for applications for a certificate of title by a
2 transferee, the naming of a lienholder and the assignment or
3 release of the security interest of a lienholder.

4 (b-5) The Secretary of State shall designate on a
5 certificate of title a space where the owner of a vehicle may
6 designate a beneficiary, to whom ownership of the vehicle shall
7 pass in the event of the owner's death.

8 (c) A certificate of title issued by the Secretary of State
9 is prima facie evidence of the facts appearing on it.

10 (d) A certificate of title for a vehicle is not subject to
11 garnishment, attachment, execution or other judicial process,
12 but this subsection does not prevent a lawful levy upon the
13 vehicle.

14 (e) Any certificate of title issued by the Secretary of
15 State is subject to a lien in favor of the State of Illinois
16 for any fees or taxes required to be paid under this Act and as
17 have not been paid, as provided for in this Code.

18 (f) Notwithstanding any other provision of law, a
19 certificate of title issued by the Secretary of State to a
20 manufactured home is prima facie evidence of the facts
21 appearing on it, notwithstanding the fact that such
22 manufactured home, at any time, shall have become affixed in
23 any manner to real property.

24 (Source: P.A. 98-749, eff. 7-16-14; 99-748, eff. 8-5-16.)

25 (625 ILCS 5/3-116) (from Ch. 95 1/2, par. 3-116)

1 Sec. 3-116. When Secretary of State to issue a certificate
2 of title.

3 (a) The Secretary of State, upon receipt of a properly
4 assigned certificate of title, with an application for a
5 certificate of title, the required fee and any other documents
6 required by law, shall issue a new certificate of title in the
7 name of the transferee as owner and mail it to the first
8 lienholder named in it or, if none, to the owner or owner's
9 designee.

10 (b) The Secretary of State, upon receipt of an application
11 for a new certificate of title by a transferee other than by
12 voluntary transfer, with proof of the transfer, the required
13 fee and any other documents required by law, shall issue a new
14 certificate of title in the name of the transferee as owner.

15 (b-5) The Secretary of State, upon receipt of an
16 application for a certificate of title and the required fee,
17 may issue a certificate of title to an out-of-state resident if
18 the out-of-state resident is a bona fide purchaser of a vehicle
19 or a manufactured home from a dealer licensed in this State
20 under Section 5-101, 5-101.2, or 5-102 of this Code and the
21 licensed dealer files for bankruptcy, surrenders his or her
22 license, or is otherwise no longer operating as a licensed
23 dealer and does not properly transfer the title application to
24 the bona fide purchaser prior to the licensed dealer's business
25 closure.

26 (c) Any person, firm or corporation, who shall knowingly

1 possess, buy, sell, exchange or give away, or offer to buy,
2 sell, exchange or give away the certificate of title to any
3 motor vehicle which is a junk or salvage, or who shall fail to
4 surrender the certificate of title to the Secretary of State as
5 required under the provisions of this Section and Section
6 3-117.2, shall be guilty of Class 3 felony.

7 (d) The Secretary of State shall file and retain for four
8 (4) years a record of every surrendered certificate of title or
9 proof of ownership accepted by the Secretary of State, the file
10 to be maintained so as to permit the tracing of title of the
11 vehicle designated therein. Such filing and retention
12 requirements shall be in addition to and not in substitution
13 for the recordkeeping requirements set forth in Section 3-106
14 of this Code, which recordkeeping requirements are not limited
15 to any period of time.

16 (e) The Secretary of State, upon receipt of an application
17 for corrected certificate of title, with the original title,
18 the required fee and any other required documents, shall issue
19 a corrected certificate of title in the name of the owner and
20 mail it to the first lienholder named in it or, if none, to the
21 owner or owner's designee.

22 (f) The Secretary of State, upon receipt of a certified
23 copy of a court order awarding ownership to an applicant along
24 with an application for a certificate of title and the required
25 fee, shall issue a certificate of title to the applicant.

26 (Source: P.A. 98-749, eff. 7-16-14.)

1 (625 ILCS 5/3-203) (from Ch. 95 1/2, par. 3-203)

2 Sec. 3-203. Security interest. If an owner creates a
3 security interest in a vehicle:

4 (a) The owner shall immediately execute the application, in
5 the space provided therefor on the certificate of title or on a
6 separate form the Secretary of State prescribes, to name the
7 lienholder on the certificate, showing the name and address of
8 the lienholder and cause the certificate, application and the
9 required fee to be delivered to the lienholder.

10 (b) The lienholder shall immediately cause the
11 certificate, application and the required fee to be mailed or
12 delivered to the Secretary of State.

13 (c) Upon request of the owner or subordinate lienholder, a
14 lienholder in possession of the certificate of title shall
15 either mail or deliver the certificate to the subordinate
16 lienholder for delivery to the Secretary of State or, upon
17 receipt from the subordinate lienholder of the owner's
18 application and the required fee, mail or deliver them to the
19 Secretary of State with the certificate. The delivery of the
20 certificate does not affect the rights of the first lienholder
21 under his security agreement.

22 (d) Upon receipt of the certificate of title, application
23 and the required fee, the Secretary of State shall issue a new
24 certificate containing the name and address of the new
25 lienholder, and mail the certificate to the first lienholder

1 named in it.

2 (e) An expiration date of 2 calendar years after the end of
3 term of the lien shall be included in each certificate of title
4 issued to a lienholder who has a perfected security interest.
5 If a recorded lienholder does not reaffirm a lien by applying
6 for a corrected certificate of title before the expiration
7 date, the owner may apply for a corrected certificate of title
8 without the original lienholder appearing on the certificate.
9 If a recorded lienholder does not respond to a request to
10 verify a lien release letter within 7 calendar days of receipt,
11 the Secretary shall process the application for corrected
12 title. A lienholder shall not be contacted prior to an owner
13 transferring a vehicle to a dealer licensed under Section 5-101
14 or 5-102 of this Code or prior to processing an application for
15 title of a motor vehicle when a certificate of title is
16 transferred by operation of law under Section 3-114 of this
17 Code.

18 This subsection (e) shall only apply to passenger motor
19 vehicles of the first division and motor vehicles of the second
20 division weighing no more than 12,000 pounds.

21 (Source: P.A. 85-511.)

22 (625 ILCS 5/3-802) (from Ch. 95 1/2, par. 3-802)

23 Sec. 3-802. Reclassifications and upgrades.

24 (a) Definitions. For the purposes of this Section, the
25 following words shall have the meanings ascribed to them as

1 follows:

2 "Reclassification" means changing the registration of
3 a vehicle from one plate category to another.

4 "Upgrade" means increasing the registered weight of a
5 vehicle within the same plate category.

6 (b) When reclassing the registration of a vehicle from one
7 plate category to another, the owner shall receive credit for
8 the unused portion of the present plate and be charged the
9 current portion fees for the new plate. In addition, the
10 appropriate replacement plate and replacement sticker fees
11 shall be assessed.

12 (b-5) Beginning with the 2019 ~~2018~~ registration year, any
13 individual who has a registration issued under either Section
14 3-405 or 3-405.1 that qualifies for a special license plate
15 under Sections 3-609, 3-609.1, 3-620, 3-621, 3-622, 3-623,
16 3-624, 3-625, 3-626, 3-628, 3-638, 3-642, 3-645, 3-647, 3-650,
17 3-651, 3-664, 3-666, 3-667, 3-668, 3-669, 3-676, 3-677, 3-680,
18 3-681, 3-683, 3-686, 3-688, ~~or~~ 3-693, 3-698, or 3-699.12 may
19 reclass his or her registration upon acquiring a special
20 license plate listed in this subsection (b-5) without a
21 replacement plate fee or registration sticker cost.

22 (c) When upgrading the weight of a registration within the
23 same plate category, the owner shall pay the difference in
24 current period fees between the two plates. In addition, the
25 appropriate replacement plate and replacement sticker fees
26 shall be assessed. In the event new plates are not required,

1 the corrected registration card fee shall be assessed.

2 (d) In the event the owner of the vehicle desires to change
3 the registered weight and change the plate category, the owner
4 shall receive credit for the unused portion of the registration
5 fee of the current plate and pay the current portion of the
6 registration fee for the new plate, and in addition, pay the
7 appropriate replacement plate and replacement sticker fees.

8 (e) Reclassing from one plate category to another plate
9 category can be done only once within any registration period.

10 (f) No refunds shall be made in any of the circumstances
11 found in subsection (b), subsection (c), or subsection (d);
12 however, when reclassing from a flat weight plate to an
13 apportioned plate, a refund may be issued if the credit amounts
14 to an overpayment.

15 (g) In the event the registration of a vehicle registered
16 under the mileage tax option is revoked, the owner shall be
17 required to pay the annual registration fee in the new plate
18 category and shall not receive any credit for the mileage plate
19 fees.

20 (h) Certain special interest plates may be displayed on
21 first division vehicles, second division vehicles weighing
22 8,000 pounds or less, and recreational vehicles. Those plates
23 can be transferred within those vehicle groups.

24 (i) Plates displayed on second division vehicles weighing
25 8,000 pounds or less and passenger vehicle plates may be
26 reclassified from one division to the other.

1 (j) Other than in subsection (i), reclassing from one
2 division to the other division is prohibited. In addition, a
3 reclass from a motor vehicle to a trailer or a trailer to a
4 motor vehicle is prohibited.

5 (Source: P.A. 99-809, eff. 1-1-17.)

6 (625 ILCS 5/3-905) (from Ch. 95 1/2, par. 3-905)

7 Sec. 3-905. Bond; fee; duration of license. Such applicant
8 shall, with his application, deposit with the Secretary of
9 State a bond as hereinafter provided, for each location at
10 which the applicant intends to act as a remittance agent. The
11 application shall be accompanied by the payment of a license
12 fee in the sum of \$50.00 (or \$25.00 if such application is
13 filed after July 1) for each location at which he proposes to
14 act as a remittance agent. If the applicant shall have complied
15 with all of the requirements of this Section and the Secretary
16 of State shall find after investigation that the applicant is
17 financially sound and of good business integrity, he shall
18 issue the required license. Such license shall terminate on
19 December 31 of the year for which it is issued, but upon
20 application prior to November 15 of any year for which a
21 license is in effect may be renewed for the next succeeding
22 calendar year. Such application shall be accompanied by the
23 payment of an annual license fee of \$50.00 for each location at
24 which the applicant proposes to act as a remittance agent and
25 the posting of the bond herein provided, for each such

1 location.

2 The bond required by this Section shall be for the term of
3 the license, or renewal thereof, for which application is made,
4 and shall run to the People of the State of Illinois, with
5 surety by a bonding or insurance company authorized to do
6 business in this State, to be approved by the Secretary of
7 State. It shall be conditioned upon the proper transmittal of
8 all remittances by the applicant as a remittance agent and the
9 performance of all undertakings in connection therewith. It
10 shall be in the minimum sum of \$20,000 ~~\$10,000~~, or in an amount
11 equal to the aggregate sum of money transmitted to the State by
12 the applicant during the highest 15 day period in the fiscal
13 year immediately preceding the one for which application is
14 made (rounded to the nearest \$1,000), whichever is the greater.
15 However, for the purpose of determining the bond requirements
16 hereunder, remittances made by applicants in the form of money
17 orders, checks, or electronic payments which are made payable
18 directly to the Secretary of State or the Illinois Department
19 of Revenue by the remitter, shall not be considered in the
20 aggregate. The bond requirement of this Section shall not apply
21 to banks, savings and loan associations, and credit unions
22 chartered by the State of Illinois or the United States;
23 provided that the banks, savings and loan associations, and
24 credit unions provide to the Secretary of State an affidavit
25 stating that the bank, savings and loan association, or credit
26 union is sufficiently bonded to meet the requirements as

1 required above. Such affidavit shall be signed by an officer of
2 the bank, savings and loan association, or credit union and
3 shall be notarized.

4 (Source: P.A. 99-324, eff. 1-1-16.)

5 (625 ILCS 5/5-101) (from Ch. 95 1/2, par. 5-101)

6 Sec. 5-101. New vehicle dealers must be licensed.

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

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

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

22 2. 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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 automobiles;

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

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

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

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

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

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

1 thereafter, 95% shall be deposited into the General
2 Revenue Fund.

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

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

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

1 (B) The Certificate of Title Laws of the Illinois
2 Vehicle Code;

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

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

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

11 (F) The Retailers' Occupation Tax Act.

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

20 (A) The Consumer Finance Act;

21 (B) The Consumer Installment Loan Act;

22 (C) The Retail Installment Sales Act;

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

25 (E) The Interest Act;

26 (F) The Illinois Wage Assignment Act;

1 (G) Part 8 of Article XII of the Code of Civil
2 Procedure; or

3 (H) The Consumer Fraud Act.

4 10. A bond or certificate of deposit in the amount of
5 \$50,000 ~~\$20,000~~ for each location at which the applicant
6 intends to act as a new vehicle dealer. The bond shall be
7 for the term of the license, or its renewal, for which
8 application is made, and shall expire not sooner than
9 December 31 of the year for which the license was issued or
10 renewed. The bond shall run to the People of the State of
11 Illinois, with surety by a bonding or insurance company
12 authorized to do business in this State. It shall be
13 conditioned upon the proper transmittal of all title and
14 registration fees and taxes (excluding taxes under the
15 Retailers' Occupation Tax Act) accepted by the applicant as
16 a new vehicle dealer.

17 11. Such other information concerning the business of
18 the applicant as the Secretary of State may by rule or
19 regulation prescribe.

20 12. A statement that the applicant understands Chapter
21 1 through Chapter 5 of this Code.

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

1 amendatory fee of \$2.

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

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

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

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

21 1. The name of the person licensed;

22 2. If a corporation, the name and address of its
23 officers or if a sole proprietorship, a partnership, an
24 unincorporated association or any similar form of business
25 organization, the name and address of the proprietor or of
26 each partner, member, officer, director, trustee or

1 manager;

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

4 4. In the case of a supplemental license, the
5 established place of business of the licensee and the
6 additional place of business to which such supplemental
7 license pertains;

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

10 (f) The appropriate instrument evidencing the license or a
11 certified copy thereof, provided by the Secretary of State,
12 shall be kept posted conspicuously in the established place of
13 business of the licensee and in each additional place of
14 business, if any, maintained by such licensee.

15 (g) Except as provided in subsection (h) hereof, all new
16 vehicle dealer's licenses granted under this Section shall
17 expire by operation of law on December 31 of the calendar year
18 for which they are granted unless sooner revoked or cancelled
19 under the provisions of Section 5-501 of this Chapter.

20 (h) A new vehicle dealer's license may be renewed upon
21 application and payment of the fee required herein, and
22 submission of proof of coverage under an approved bond under
23 the Retailers' Occupation Tax Act or proof that applicant is
24 not subject to such bonding requirements, as in the case of an
25 original license, but in case an application for the renewal of
26 an effective license is made during the month of December, the

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

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

5 1. In the case of a new vehicle a manufacturer's
6 statement of origin and in the case of a used motor vehicle
7 a certificate of title, in either case properly assigned to
8 the purchaser;

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

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

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

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

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

20 (j) Except at the time of sale or repossession of the
21 vehicle, no person licensed as a new vehicle dealer may issue
22 any other person a newly created key to a vehicle unless the
23 new vehicle dealer makes a copy of the driver's license or
24 State identification card of the person requesting or obtaining
25 the newly created key. The new vehicle dealer must retain the
26 copy for 30 days.

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

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

7 (Source: P.A. 98-450, eff. 1-1-14; 99-78, eff. 7-20-15.)

8 (625 ILCS 5/5-102) (from Ch. 95 1/2, par. 5-102)

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

10 (a) No person, other than a licensed new vehicle dealer,
11 shall engage in the business of selling or dealing in, on
12 consignment or otherwise, 5 or more used vehicles of any make
13 during the year (except house trailers as authorized by
14 paragraph (j) of this Section and rebuilt salvage vehicles sold
15 by their rebuilders to persons licensed under this Chapter), or
16 act as an intermediary, agent or broker for any licensed dealer
17 or vehicle purchaser (other than as a salesperson) or represent
18 or advertise that he is so engaged or intends to so engage in
19 such business unless licensed to do so by the Secretary of
20 State under the provisions of this Section.

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

25 1. The name and type of business organization

1 established and additional places of business, if any, in
2 this State.

3 2. If the applicant is a corporation, a list of its
4 officers, directors, and shareholders having a ten percent
5 or greater ownership interest in the corporation, setting
6 forth the residence address of each; if the applicant is a
7 sole proprietorship, a partnership, an unincorporated
8 association, a trust, or any similar form of business
9 organization, the names and residence address of the
10 proprietor or of each partner, member, officer, director,
11 trustee or manager.

12 3. A statement that the applicant has been approved for
13 registration under the Retailers' Occupation Tax Act by the
14 Department of Revenue. However, this requirement does not
15 apply to a dealer who is already licensed hereunder with
16 the Secretary of State, and who is merely applying for a
17 renewal of his license. As evidence of this fact, the
18 application shall be accompanied by a certification from
19 the Department of Revenue showing that the Department has
20 approved the applicant for registration under the
21 Retailers' Occupation Tax Act.

22 4. A statement that the applicant has complied with the
23 appropriate liability insurance requirement. A Certificate
24 of Insurance in a solvent company authorized to do business
25 in the State of Illinois shall be included with each
26 application covering each location at which he proposes to

1 act as a used vehicle dealer. The policy must provide
2 liability coverage in the minimum amounts of \$100,000 for
3 bodily injury to, or death of, any person, \$300,000 for
4 bodily injury to, or death of, two or more persons in any
5 one accident, and \$50,000 for damage to property. Such
6 policy shall expire not sooner than December 31 of the year
7 for which the license was issued or renewed. The expiration
8 of the insurance policy shall not terminate the liability
9 under the policy arising during the period for which the
10 policy was filed. Trailer and mobile home dealers are
11 exempt from this requirement.

12 If the permitted user has a liability insurance policy
13 that provides automobile liability insurance coverage of
14 at least \$100,000 for bodily injury to or the death of any
15 person, \$300,000 for bodily injury to or the death of any 2
16 or more persons in any one accident, and \$50,000 for damage
17 to property, then the permitted user's insurer shall be the
18 primary insurer and the dealer's insurer shall be the
19 secondary insurer. If the permitted user does not have a
20 liability insurance policy that provides automobile
21 liability insurance coverage of at least \$100,000 for
22 bodily injury to or the death of any person, \$300,000 for
23 bodily injury to or the death of any 2 or more persons in
24 any one accident, and \$50,000 for damage to property, or
25 does not have any insurance at all, then the dealer's
26 insurer shall be the primary insurer and the permitted

1 user's insurer shall be the secondary insurer.

2 When a permitted user is "test driving" a used vehicle
3 dealer's automobile, the used vehicle dealer's insurance
4 shall be primary and the permitted user's insurance shall
5 be secondary.

6 As used in this paragraph 4, a "permitted user" is a
7 person who, with the permission of the used vehicle dealer
8 or an employee of the used vehicle dealer, drives a vehicle
9 owned and held for sale or lease by the used vehicle dealer
10 which the person is considering to purchase or lease, in
11 order to evaluate the performance, reliability, or
12 condition of the vehicle. The term "permitted user" also
13 includes a person who, with the permission of the used
14 vehicle dealer, drives a vehicle owned or held for sale or
15 lease by the used vehicle dealer for loaner purposes while
16 the user's vehicle is being repaired or evaluated.

17 As used in this paragraph 4, "test driving" occurs when
18 a permitted user who, with the permission of the used
19 vehicle dealer or an employee of the used vehicle dealer,
20 drives a vehicle owned and held for sale or lease by a used
21 vehicle dealer that the person is considering to purchase
22 or lease, in order to evaluate the performance,
23 reliability, or condition of the vehicle.

24 As used in this paragraph 4, "loaner purposes" means
25 when a person who, with the permission of the used vehicle
26 dealer, drives a vehicle owned or held for sale or lease by

1 the used vehicle dealer while the user's vehicle is being
2 repaired or evaluated.

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

5 (A) \$1,000 for applicant's established place of
6 business, and \$50 for each additional place of
7 business, if any, to which the application pertains;
8 however, if the application is made after June 15 of
9 any year, the license fee shall be \$500 for applicant's
10 established place of business plus \$25 for each
11 additional place of business, if any, to which the
12 application pertains. License fees shall be returnable
13 only in the event that the application is denied by the
14 Secretary of State. Of the money received by the
15 Secretary of State as license fees under this
16 subparagraph (A) for the 2004 licensing year and
17 thereafter, 95% shall be deposited into the General
18 Revenue Fund.

19 (B) Except for dealers selling 25 or fewer
20 automobiles or as provided in subsection (h) of Section
21 5-102.7 of this Code, an Annual Dealer Recovery Fund
22 Fee in the amount of \$500 for the applicant's
23 established place of business, and \$50 for each
24 additional place of business, if any, to which the
25 application pertains; but if the application is made
26 after June 15 of any year, the fee shall be \$250 for

1 the applicant's established place of business plus \$25
2 for each additional place of business, if any, to which
3 the application pertains. For a license renewal
4 application, the fee shall be based on the amount of
5 automobiles sold in the past year according to the
6 following formula:

7 (1) \$0 for dealers selling 25 or less
8 automobiles;

9 (2) \$150 for dealers selling more than 25 but
10 less than 200 automobiles;

11 (3) \$300 for dealers selling 200 or more
12 automobiles but less than 300 automobiles; and

13 (4) \$500 for dealers selling 300 or more
14 automobiles.

15 License fees shall be returnable only in the event
16 that the application is denied by the Secretary of
17 State. Moneys received under this subparagraph (B)
18 shall be deposited into the Dealer Recovery Trust Fund.

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

1 (A) The Anti-Theft Laws of the Illinois Vehicle
2 Code;

3 (B) The Certificate of Title Laws of the Illinois
4 Vehicle Code;

5 (C) The Offenses against Registration and
6 Certificates of Title Laws of the Illinois Vehicle
7 Code;

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

10 (E) Section 21-2 of the Illinois Criminal Code of
11 1961 or the Criminal Code of 2012, Criminal Trespass to
12 Vehicles; or

13 (F) The Retailers' Occupation Tax Act.

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

22 (A) The Consumer Finance Act;

23 (B) The Consumer Installment Loan Act;

24 (C) The Retail Installment Sales Act;

25 (D) The Motor Vehicle Retail Installment Sales
26 Act;

- 1 (E) The Interest Act;
- 2 (F) The Illinois Wage Assignment Act;
- 3 (G) Part 8 of Article XII of the Code of Civil
4 Procedure; or
- 5 (H) The Consumer Fraud Act.

6 8. A bond or Certificate of Deposit in the amount of
7 \$50,000 ~~\$20,000~~ for each location at which the applicant
8 intends to act as a used vehicle dealer. The bond shall be
9 for the term of the license, or its renewal, for which
10 application is made, and shall expire not sooner than
11 December 31 of the year for which the license was issued or
12 renewed. The bond shall run to the People of the State of
13 Illinois, with surety by a bonding or insurance company
14 authorized to do business in this State. It shall be
15 conditioned upon the proper transmittal of all title and
16 registration fees and taxes (excluding taxes under the
17 Retailers' Occupation Tax Act) accepted by the applicant as
18 a used vehicle dealer.

19 9. Such other information concerning the business of
20 the applicant as the Secretary of State may by rule or
21 regulation prescribe.

22 10. A statement that the applicant understands Chapter
23 1 through Chapter 5 of this Code.

24 11. A copy of the certification from the prelicensing
25 education program.

26 (c) Any change which renders no longer accurate any

1 information contained in any application for a used vehicle
2 dealer's license shall be amended within 30 days after the
3 occurrence of each change on such form as the Secretary of
4 State may prescribe by rule or regulation, accompanied by an
5 amendatory fee of \$2.

6 (d) Anything in this Chapter to the contrary
7 notwithstanding, no person shall be licensed as a used vehicle
8 dealer unless such person maintains an established place of
9 business as defined in this Chapter.

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

21 1. The name of the person licensed;

22 2. If a corporation, the name and address of its
23 officers or if a sole proprietorship, a partnership, an
24 unincorporated association or any similar form of business
25 organization, the name and address of the proprietor or of
26 each partner, member, officer, director, trustee or

1 manager;

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

4 4. In the case of a supplemental license, the
5 established place of business of the licensee and the
6 additional place of business to which such supplemental
7 license pertains.

8 (f) The appropriate instrument evidencing the license or a
9 certified copy thereof, provided by the Secretary of State
10 shall be kept posted, conspicuously, in the established place
11 of business of the licensee and in each additional place of
12 business, if any, maintained by such licensee.

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

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

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

3 1. A certificate of title properly assigned to the
4 purchaser;

5 2. A statement verified under oath that all identifying
6 numbers on the vehicle agree with those on the certificate
7 of title;

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

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

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

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

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

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

24 (2) the date of sale,

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

1 (4) the Illinois certificate of title number.

2 The foregoing records shall be available for inspection by
3 any officer of the Secretary of State's Office at any
4 reasonable hour.

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

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

16 (l) Used vehicle dealers licensed under this Section shall
17 provide the Secretary of State a register for the sale at
18 auction of each salvage or junk certificate vehicle. Each
19 register shall include the following information:

20 1. The year, make, model, style and color of the
21 vehicle;

22 2. The vehicle's manufacturer's identification number
23 or, if applicable, the Secretary of State or Illinois
24 Department of State Police identification number;

25 3. The date of acquisition of the vehicle;

26 4. The name and address of the person from whom the

1 vehicle was acquired;

2 5. The name and address of the person to whom any
3 vehicle was disposed, the person's Illinois license number
4 or if the person is an out-of-state salvage vehicle buyer,
5 the license number from the state or jurisdiction where the
6 buyer is licensed; and

7 6. The purchase price of the vehicle.

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

11 (Source: P.A. 98-450, eff. 1-1-14; 99-78, eff. 7-20-15.)

12 (625 ILCS 5/5-503) (from Ch. 95 1/2, par. 5-503)

13 Sec. 5-503. Failure to obtain dealer's license, operation
14 of a business with a suspended or revoked license. (a) Any
15 person operating a business for which he is required to be
16 licensed under Section 5-101, 5-101.2, 5-102, 5-201 or 5-301
17 who fails to apply for such a license or licenses within 15
18 days after being informed in writing by the Secretary of State
19 that he must obtain such a license or licenses is subject to a
20 civil action brought by the Secretary of State for operating a
21 business without a license in the circuit court in the county
22 in which the business is located. If the person is found to be
23 in violation of Section 5-101, 5-101.2, 5-102, 5-201 or 5-301
24 by carrying on a business without being properly licensed, that
25 person shall be fined \$300 for each business day he conducted

1 his business without such a license after the expiration of the
2 15 day period specified in this subsection (a).

3 (b) Any person who, having had his license or licenses
4 issued under Section 5-101, 5-101.2, 5-102, 5-201 or 5-301
5 suspended, revoked, cancelled or denied by the Secretary of
6 State under Section 5-501, continues to operate business after
7 the effective date of such revocation, suspension,
8 cancellation or denial may be sued in a civil action by the
9 Secretary of State in the county in which the established or
10 additional place of such business is located. If such person is
11 found by the court to have operated such a business after the
12 license or licenses required for conducting such business have
13 been suspended, revoked, cancelled or denied, that person shall
14 be fined \$500 for each day he conducted business thereafter.

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

16 (625 ILCS 5/6-305) (from Ch. 95 1/2, par. 6-305)

17 Sec. 6-305. Renting motor vehicle to another.

18 (a) No person shall rent a motor vehicle to any other
19 person unless the latter person, or a driver designated by a
20 nondriver with disabilities and meeting any minimum age and
21 driver's record requirements that are uniformly applied by the
22 person renting a motor vehicle, is then duly licensed hereunder
23 or, in the case of a nonresident, then duly licensed under the
24 laws of the State or country of his residence unless the State
25 or country of his residence does not require that a driver be

1 licensed.

2 (b) No person shall rent a motor vehicle to another until
3 he has inspected the drivers license of the person to whom the
4 vehicle is to be rented, or by whom it is to be driven, and
5 compared and verified the signature thereon with the signature
6 of such person written in his presence unless, in the case of a
7 nonresident, the State or country wherein the nonresident
8 resides does not require that a driver be licensed.

9 (c) No person shall rent a motorcycle to another unless the
10 latter person is then duly licensed hereunder as a motorcycle
11 operator, and in the case of a nonresident, then duly licensed
12 under the laws of the State or country of his residence, unless
13 the State or country of his residence does not require that a
14 driver be licensed.

15 (c-1) A rental car company that rents a motor vehicle shall
16 ensure that the renter is provided with an emergency telephone
17 number to personnel capable of fielding roadside assistance and
18 other customer service inquiries, including the ability to
19 provide the caller with the telephone number of the location
20 from which the vehicle was rented, if requested by the caller.
21 If an owner's manual is not available in the vehicle at the
22 time of the rental, an owner's manual for that vehicle or a
23 similar model shall be accessible by the personnel answering
24 the emergency telephone number for assistance with inquiries
25 about the operation of the vehicle.

26 (d) (Blank).

1 (e) (Blank).

2 (f) Subject to subsection (l), any person who rents a motor
3 vehicle to another shall only advertise, quote, and charge a
4 rental rate that includes the entire amount except taxes, a
5 mileage charge, and airport concession charge, if any, which a
6 renter must pay to hire or lease the vehicle for the period of
7 time to which the rental rate applies. The person must provide,
8 on the request of the renter, based on the available
9 information, an estimated total of the daily rental rate,
10 including all applicable taxes, fees, and other charges, or an
11 estimated total rental charge, based on the return date of the
12 vehicle noted on the rental agreement. Further, if the rental
13 agreement does not already provide an estimated total rental
14 charge, the following statement must be included in the rental
15 agreement:

16 "NOTICE: UNDER ILLINOIS LAW, YOU MAY REQUEST, BASED ON
17 AVAILABLE INFORMATION, AN ESTIMATED TOTAL DAILY RENTAL
18 RATE, INCLUDING TAXES, FEES, AND OTHER CHARGES, OR AN
19 ESTIMATED TOTAL RENTAL CHARGE, BASED ON THE VEHICLE RETURN
20 DATE NOTED ON THIS AGREEMENT."

21 Such person shall not charge in addition to the rental
22 rate, taxes, mileage charge, and airport concession charge, if
23 any, any fee which must be paid by the renter as a condition of
24 hiring or leasing the vehicle, such as, but not limited to,
25 required fuel or airport surcharges, nor any fee for
26 transporting the renter to the location where the rented

1 vehicle will be delivered to the renter. In addition to the
2 rental rate, taxes, mileage charge, and airport concession
3 charge, if any, such person may charge for an item or service
4 provided in connection with a particular rental transaction if
5 the renter can avoid incurring the charge by choosing not to
6 obtain or utilize the optional item or service. Items and
7 services for which such person may impose an additional charge
8 include, but are not limited to, optional insurance and
9 accessories requested by the renter, service charges incident
10 to the renter's optional return of the vehicle to a location
11 other than the location where the vehicle was hired or leased,
12 and charges for refueling the vehicle at the conclusion of the
13 rental transaction in the event the renter did not return the
14 vehicle with as much fuel as was in the fuel tank at the
15 beginning of the rental. "Airport concession charge" means a
16 charge or fee imposed and collected from a renter to reimburse
17 the motor vehicle rental company for the concession fee it is
18 required to pay to a local government corporate authority or
19 airport authority to rent motor vehicles at the airport
20 facility. The airport concession charge is in addition to any
21 customer facility charge or any other charge.

22 (g) Every person renting a motor vehicle to another shall
23 keep a record of the registration number of the motor vehicle
24 so rented, the name and address of the person to whom the
25 vehicle is rented, the number of the license, if any, of said
26 latter person, and the date and place when and where the

1 license, if any, was issued. Such record shall be open to
2 inspection by any police officer or designated agent of the
3 Secretary of State.

4 (h) A person licensed as a new car dealer under Section
5 5-101 of this Code shall not be subject to the provisions of
6 this Section regarding the rental of private passenger motor
7 vehicles when providing, free of charge, temporary substitute
8 vehicles for customers to operate during a period when a
9 customer's vehicle, which is either leased or owned by that
10 customer, is being repaired, serviced, replaced or otherwise
11 made unavailable to the customer in accordance with an
12 agreement with the licensed new car dealer or vehicle
13 manufacturer, so long as the customer orally or in writing is
14 made aware that the temporary substitute vehicle will be
15 covered by his or her insurance policy and the customer shall
16 only be liable to the extent of any amount deductible from such
17 insurance coverage in accordance with the terms of the policy.

18 (i) This Section, except the requirements of subsection
19 (g), also applies to rental agreements of 30 continuous days or
20 less involving a motor vehicle that was delivered by an out of
21 State person or business to a renter in this State.

22 (j) A public airport may, if approved by its local
23 government corporate authorities or its airport authority,
24 impose a customer facility charge upon customers of rental car
25 companies for the purposes of financing, designing,
26 constructing, operating, and maintaining consolidated car

1 rental facilities and common use transportation equipment and
2 facilities, which are used to transport the customer,
3 connecting consolidated car rental facilities with other
4 airport facilities.

5 Notwithstanding subsection (f) of this Section, the
6 customer facility charge shall be collected by the rental car
7 company as a separate charge, and clearly indicated as a
8 separate charge on the rental agreement and invoice. Facility
9 charges shall be immediately deposited into a trust account for
10 the benefit of the airport and remitted at the direction of the
11 airport, but not more often than once per month. The charge
12 shall be uniformly calculated on a per-contract or per-day
13 basis. Facility charges imposed by the airport may not exceed
14 the reasonable costs of financing, designing, constructing,
15 operating, and maintaining the consolidated car rental
16 facilities and common use transportation equipment and
17 facilities and may not be used for any other purpose.

18 Notwithstanding any other provision of law, the charges
19 collected under this Section are not subject to retailer
20 occupation, sales, use, or transaction taxes.

21 (k) When a rental car company states a rental rate in any
22 of its rate advertisements, its proprietary computer
23 reservation systems, or its in-person quotations intended to
24 apply to an airport rental, a company that collects from its
25 customers a customer facility charge for that rental under
26 subsection (j) shall do all of the following:

1 (1) Clearly and conspicuously disclose in any radio,
2 television, or other electronic media advertisements the
3 existence and amount of the charge if the advertisement is
4 intended for rentals at an airport imposing the charge or,
5 if the advertisement covers an area with multiple airports
6 with different charges, a range of amounts of customer
7 facility charges if the advertisement is intended for
8 rentals at an airport imposing the charge.

9 (2) Clearly and conspicuously disclose in any print
10 rate advertising the existence and amount of the charge if
11 the advertisement is intended for rentals at an airport
12 imposing the charge or, if the print rate advertisement
13 covers an area with multiple airports with different
14 charges, a range of amounts of customer facility charges if
15 the advertisement is intended for rentals at an airport
16 imposing the charge.

17 (3) Clearly and conspicuously disclose the existence
18 and amount of the charge in any telephonic, in-person, or
19 computer-transmitted quotation from the rental car
20 company's proprietary computer reservation system at the
21 time of making an initial quotation of a rental rate if the
22 quotation is made by a rental car company location at an
23 airport imposing the charge and at the time of making a
24 reservation of a rental car if the reservation is made by a
25 rental car company location at an airport imposing the
26 charge.

1 (4) Clearly and conspicuously display the charge in any
2 proprietary computer-assisted reservation or transaction
3 directly between the rental car company and the customer,
4 shown or referenced on the same page on the computer screen
5 viewed by the customer as the displayed rental rate and in
6 a print size not smaller than the print size of the rental
7 rate.

8 (5) Clearly and conspicuously disclose and separately
9 identify the existence and amount of the charge on its
10 rental agreement.

11 (6) A rental car company that collects from its
12 customers a customer facility charge under subsection (j)
13 and engages in a practice which does not comply with
14 subsections (f), (j), and (k) commits an unlawful practice
15 within the meaning of the Consumer Fraud and Deceptive
16 Business Practices Act.

17 (1) Notwithstanding subsection (f), any person who rents a
18 motor vehicle to another may, in connection with the rental of
19 a motor vehicle to (i) a business renter or (ii) a business
20 program sponsor under the sponsor's business program, do the
21 following:

22 (1) separately quote, by telephone, in person, or by
23 computer transmission, additional charges for the rental;
24 and

25 (2) separately impose additional charges for the
26 rental.

1 (1-5) A person licensed under Section 5-101, 5-101.2, or
2 5-102 of this Code shall not participate in a rental-purchase
3 agreement vehicle program unless the licensee retains the
4 vehicle in his or her name and retains proof of proper vehicle
5 registration under Chapter 3 of this Code and liability
6 insurance under Section 7-601 of this Code. The licensee shall
7 transfer ownership of the vehicle to the renter within 20
8 calendar days of the agreed upon date of completion of the
9 rental-purchase agreement. If the licensee fails to transfer
10 ownership of the vehicle to the renter within the 20 calendar
11 days, then the renter may apply for the vehicle's title to the
12 Secretary of State by providing the Secretary the
13 rental-purchase agreement, an application for title, the
14 required title fee, and any other documentation the Secretary
15 deems necessary to determine ownership of the vehicle. For
16 purposes of this subsection (1-5), "rental-purchase agreement"
17 has the meaning set forth in Section 1 of the Rental-Purchase
18 Agreement Act.

19 (m) As used in this Section:

20 (1) "Additional charges" means charges other than: (i)
21 a per period base rental rate; (ii) a mileage charge; (iii)
22 taxes; or (iv) a customer facility charge.

23 (2) "Business program" means:

24 (A) a contract between a person who rents motor
25 vehicles and a business program sponsor that
26 establishes rental rates at which the person will rent

1 motor vehicles to persons authorized by the sponsor; or

2 (B) a plan, program, or other arrangement
3 established by a person who rents motor vehicles at the
4 request of, or with the consent of, a business program
5 sponsor under which the person offers to rent motor
6 vehicles to persons authorized by the sponsor on terms
7 that are not the same as those generally offered by the
8 rental company to the public.

9 (3) "Business program sponsor" means any legal entity
10 other than a natural person, including a corporation,
11 limited liability company, partnership, government,
12 municipality or agency, or a natural person operating a
13 business as a sole proprietor.

14 (4) "Business renter" means any person renting a motor
15 vehicle for business purposes or, for any business program
16 sponsor, a person who is authorized by the sponsor to enter
17 into a rental contract under the sponsor's business
18 program. "Business renter" does not include a person
19 renting as:

20 (A) a non-employee member of a not-for-profit
21 organization;

22 (B) the purchaser of a voucher or other prepaid
23 rental arrangement from a person, including a tour
24 operator, engaged in the business of reselling those
25 vouchers or prepaid rental arrangements to the general
26 public;

1 (C) an individual whose car rental is eligible for
2 reimbursement in whole or in part as a result of the
3 person being insured or provided coverage under a
4 policy of insurance issued by an insurance company; or

5 (D) an individual whose car rental is eligible for
6 reimbursement in whole or in part as a result of the
7 person purchasing motor vehicle repair services from a
8 person licensed to perform those services.

9 (Source: P.A. 97-595, eff. 8-26-11.)

10 Section 99. Effective date. This Act takes effect January
11 1, 2018.

1 INDEX

2 Statutes amended in order of appearance

3	625 ILCS 5/1-134.1	from Ch. 95 1/2, par. 1-134.1
4	625 ILCS 5/1-171.01a	
5	625 ILCS 5/3-107	from Ch. 95 1/2, par. 3-107
6	625 ILCS 5/3-116	from Ch. 95 1/2, par. 3-116
7	625 ILCS 5/3-203	from Ch. 95 1/2, par. 3-203
8	625 ILCS 5/3-802	from Ch. 95 1/2, par. 3-802
9	625 ILCS 5/3-905	from Ch. 95 1/2, par. 3-905
10	625 ILCS 5/5-101	from Ch. 95 1/2, par. 5-101
11	625 ILCS 5/5-102	from Ch. 95 1/2, par. 5-102
12	625 ILCS 5/5-503	from Ch. 95 1/2, par. 5-503
13	625 ILCS 5/6-305	from Ch. 95 1/2, par. 6-305