



## 99TH GENERAL ASSEMBLY

### State of Illinois

2015 and 2016

SB1702

Introduced 2/20/2015, by Sen. John M. Sullivan

#### SYNOPSIS AS INTRODUCED:

625 ILCS 5/5-101.2 new

Amends the Illinois Vehicle Code. Requires dealers of manufactured homes and community-based manufactured homes to be licensed in this State for the purpose of selling manufactured homes. Provides that an application for a manufactured home dealer's license or a community-based manufactured home dealer's license shall be filed with the Secretary of State, duly verified by oath on a form prescribed by the Secretary, and shall contain certain required information concerning the dealer's business and the fees to be paid for the license. Requires the Secretary to grant the manufactured home or community-based manufactured home dealer's license in writing within a reasonable period of time after receipt of the application for the license, if the license application meets the proper requirements. Provides that the instrument evidencing the license, or a certified copy of the instrument, shall be posted in the established place of business of the dealer. Provides that dealer's licenses shall expire on December 31 of the calendar year for which they are granted, unless sooner revoked or cancelled. Defines the terms, "community-based manufactured home dealer", "established place of business", "manufactured home", and "supplemental license".

LRB099 09046 RJF 29234 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 adding  
5 Section 5-101.2 as follows:

6 (625 ILCS 5/5-101.2 new)

7 Sec. 5-101.2. Manufactured home dealers; licensing

8 (a) For the purposes of this Section, the following words  
9 shall have the meanings ascribed to them as follows:

10 "Community-based manufactured home dealer" means an  
11 individual or entity that operates a tract of land or 2 or  
12 more contiguous tracts of land upon which contain sites  
13 with the necessary utilities for 7 or more independent  
14 manufactured homes for permanent habitation, either free  
15 of charge or for revenue purposes, and shall include any  
16 building, structure, vehicle, or enclosure used or  
17 intended for use as a part of the equipment of the  
18 manufactured home park who may, incidental to the operation  
19 of the manufactured home community, sell, trade, or buy a  
20 manufactured home that is located within the manufactured  
21 home community or is located in a different manufactured  
22 home community that is owned or managed by the  
23 community-based manufactured home dealer.

1           "Established place of business" means the place owned  
2           or leased and occupied by any person duly licensed or  
3           required to be licensed as a manufactured home dealer, or a  
4           community-based manufactured home dealer, for the purpose  
5           of engaging in selling, buying, bartering, displaying,  
6           exchanging, or dealing in, on consignment or otherwise,  
7           manufactured homes and for such other ancillary purposes as  
8           may be permitted by the Secretary by rule. An established  
9           place of business shall include a single or central office  
10           in which the dealer's or community-based manufactured home  
11           dealer's records shall be separate and distinct from any  
12           other business or tenant which may occupy space in the same  
13           building, except as provided in this Section, and the  
14           office shall not be located in a residence, tent, temporary  
15           stand, temporary address, room or rooms in a hotel or  
16           rooming house, nor the premises occupied by a single or  
17           multiple unit residence, unless the multiple unit  
18           residence has a separate and distinct office.

19           "Manufactured home" means a factory assembled  
20           structure built on a permanent chassis, transportable in  
21           one or more sections in the travel mode, incapable of  
22           self-propulsion, and bears a label indicating the  
23           manufacturer's compliance with the United States  
24           Department of Housing and Urban Development standards,  
25           that is without a permanent foundation and is designed for  
26           year round occupancy as a single-family residence when

1 connected to approved water, sewer, and electrical  
2 utilities.

3 "Supplemental license" means a license that the  
4 manufactured home dealer, or a community-based  
5 manufactured home dealer, applies for in addition to his or  
6 her primary license, which is located at his or her  
7 established place of business.

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

16 (c) An application for a manufactured home dealer's  
17 license, or a community-based manufactured home dealer's  
18 license, shall be filed with the Secretary of State and duly  
19 verified by oath, on such form as the Secretary of State may by  
20 rule prescribe, and shall contain all of the following:

21 (1) The name and type of business organization of the  
22 applicant, and his or her established and additional places  
23 of business, if any, in this State.

24 (2) If the applicant is a corporation, a list of its  
25 officers, directors, and shareholders having a 10% or  
26 greater ownership interest in the corporation. If the

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

7 (3) The make or makes of new manufactured homes which  
8 the applicant will offer for sale at retail in the State.

9 (4) The name of each manufacturer or franchised  
10 distributor, if any, of new manufactured homes with whom  
11 the applicant has contracted for the sale of new  
12 manufactured homes. As evidence of this fact, the  
13 application shall be accompanied by a signed statement from  
14 each manufacturer or franchised distributor.

15 (5) A statement that the applicant has been approved  
16 for registration under the Retailers' Occupation Tax Act by  
17 the Department of Revenue, provided that this requirement  
18 does not apply to a manufactured home dealer who is already  
19 licensed with the Secretary of State, and who is merely  
20 applying for a renewal of his or her license. As evidence  
21 of this fact, the application shall be accompanied by a  
22 certification from the Department of Revenue showing that  
23 the Department has approved the applicant for registration  
24 under the Retailers' Occupation Tax Act.

25 (6) An application for:

26 (A) manufactured home dealer's license, when the

1 applicant is selling new manufactured homes on behalf  
2 of a manufacturer of manufactured homes or used  
3 manufactured homes, shall be accompanied by a \$1,000  
4 license fee for the applicant's established place of  
5 business, and \$100 for each additional place of  
6 business, if any, to which the application pertains. If  
7 the application is made after June 15 in any year, the  
8 license fee shall be \$500 for the applicant's  
9 established place of business, and \$50 for each  
10 additional place of business, if any, to which the  
11 application pertains. License fees shall be returnable  
12 only in the event that the application is denied by the  
13 Secretary of State; or

14 (B) a community-based manufactured home dealer's  
15 license, when the applicant is selling a manufactured  
16 home not on behalf of a manufacturer of manufactured  
17 homes, but within a community setting, shall be  
18 accompanied by a license fee of \$500 for the  
19 applicant's established place of business, and \$50 for  
20 each additional place of business, if any to which the  
21 application pertains. If the application is made after  
22 June 15 in any year, the license fee shall be \$250 for  
23 the applicant's established place of business, and \$50  
24 for each additional place of business, if any, to which  
25 the application pertains. License fees shall be  
26 returnable only in the event that the application is

1 denied by the Secretary of State. Of the monies  
2 received by the Secretary of State as license fees  
3 under this paragraph (6), 95% shall be deposited into  
4 the General Revenue Fund and 5% into the Motor Vehicle  
5 License Plate Fund.

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

14 (A) the Anti Theft Laws of the Illinois Vehicle  
15 Code;

16 (B) the Certificate of Title Laws of the Illinois  
17 Vehicle Code;

18 (C) the Offenses against Registration and  
19 Certificates of Title Laws of the Illinois Vehicle  
20 Code;

21 (D) the Dealers, Transporters, Wreckers, and  
22 Rebuilders Laws of the Illinois Vehicle Code;

23 (E) Section 21-2 of the Criminal Code of 2012  
24 (criminal trespass to vehicles);

25 (F) the Retailers Occupation Tax Act;

26 (G) the Consumer Finance Act;

1                   (H) the Consumer Installment Loan Act;  
2                   (I) the Retail Installment Sales Act;  
3                   (J) the Motor Vehicle Retail Installment Sales  
4                   Act;

5                   (K) the Interest Act;

6                   (L) the Illinois Wage Assignment Act;

7                   (M) Part 8 of Article XII of the Code of Civil  
8                   Procedure; or

9                   (N) the Consumer Fraud Act.

10                  (8) A statement that the applicant's officers,  
11                  directors, and shareholders having a 10% or greater  
12                  ownership interest therein, proprietor, a partner, member,  
13                  officer, director, trustee, manager, or other principals  
14                  in the business, have not been convicted in any calendar  
15                  year, as determined in any criminal proceeding, of a  
16                  forcible felony under the Criminal Code of 1961, the  
17                  Criminal Code of 2012, or a similar out-of-state offense.  
18                  For the purposes of this paragraph, "forcible felony" has  
19                  the meaning as defined in Section 2-8 of the Criminal Code  
20                  of 2012.

21                  (9) A bond or certificate of deposit in the amount of  
22                  \$20,000 for each license holder applicant intending to act  
23                  as a manufactured home dealer or community-based  
24                  manufactured home dealer under this Section. The bond shall  
25                  be for the term of the license, for which application is  
26                  made, and shall expire not sooner than December 31 of the

1 year for which the license was issued. The bond shall run  
2 to the People of the State of Illinois, with surety by a  
3 bonding or insurance company authorized to do business in  
4 this State. It shall be conditioned upon the proper  
5 transmittal of all title and registration fees and taxes  
6 (excluding taxes under the Retailers' Occupation Tax Act)  
7 accepted by the applicant as a manufactured home dealer.

8 (10) Dealers in business for over 5 years may  
9 substitute a certificate of insurance in lieu of the bond  
10 or certificate of deposit upon renewing their license.

11 (11) Any other information concerning the business of  
12 the applicant as the Secretary of State may by rule  
13 prescribe.

14 (12) A statement that the applicant has read and  
15 understands Chapters 1 through 5 of this Code.

16 (d) Any change which renders no longer accurate any  
17 information contained in any application for a manufactured  
18 home dealer's license shall be amended within 30 days after the  
19 occurrence of the change on a form the Secretary of State may  
20 prescribe by rule, accompanied by an amendatory fee of \$25.

21 (e) The Secretary of State shall, within a reasonable time  
22 after receipt, examine an application submitted to him or her  
23 under this Section, and unless he or she makes a determination  
24 that the application submitted to him or her does not conform  
25 with the requirements of this Section or that grounds exist for  
26 a denial of the application under Section 5-501 of this

1 Chapter, grant the applicant an initial manufactured home  
2 dealer's license, or a community-based manufactured home  
3 dealer's license, in writing for his or her established place  
4 of business and a supplemental license in writing for each  
5 additional place of business in a form the Secretary may  
6 prescribe by rule, which shall include the following:

7 (1) the name of the person or entity licensed;

8 (2) if a corporation, the name and address of its  
9 officers; if a sole proprietorship, a partnership, an  
10 unincorporated association, or any similar form of  
11 business organization, the name and address of the  
12 proprietor, or the name and address of each partner,  
13 member, officer, director, trustee or manager; or if a  
14 limited liability company, the name and address of the  
15 general partner or partners, or managing member or members;

16 (3) in the case of an original license, the established  
17 place of business of the licensee;

18 (4) in the case of a supplemental license, the  
19 established place of business of the licensee and the  
20 additional place of business to which the supplemental  
21 license pertains; and

22 (5) if applicable, the make or makes of new  
23 manufactured homes to which a manufactured home dealer is  
24 licensed to sell.

25 (f) The appropriate instrument evidencing the license or a  
26 certified copy of the instrument, provided by the Secretary of

1 State, shall be kept posted conspicuously in the established  
2 place of business of the licensee and in each additional place  
3 of business, if any, maintained by the licensee, unless the  
4 licensee is a community-based manufactured home dealer, then  
5 the license shall be posted in the community-based manufactured  
6 home dealer's central office and it shall include a list of the  
7 other locations that the community-based manufactured home  
8 dealer may oversee.

9 (g) Except as provided in subsection (i) of this Section,  
10 all manufactured home dealer licenses granted under this  
11 Section shall expire by operation of law on December 31 of the  
12 calendar year for which the licenses were granted, unless  
13 sooner revoked or cancelled under the provisions of Section  
14 5-501 of this Chapter.

15 (h) All persons licensed as a manufactured home dealer or a  
16 community-based manufactured home dealer are required to  
17 furnish each purchaser of a manufactured home:

18 (1) in the case of a new manufactured home, a  
19 manufacturer's statement of origin, and in the case of a  
20 previously owned manufactured home, a certificate of  
21 title, in either case properly assigned to the purchaser;

22 (2) a statement verified under oath that all  
23 identifying numbers on the vehicle match the identifying  
24 numbers on the certificate of title or manufacturer's  
25 statement of origin;

26 (3) a bill of sale properly executed on behalf of the

1 purchaser;

2 (4) a copy of the Uniform Invoice-transaction  
3 reporting return form referred to in Section 5-402; and

4 (5) for a new manufactured home, a warranty, and in the  
5 case of a manufactured home for which the warranty has been  
6 reinstated, a copy of the warranty.

7 (i) This Section shall not apply to a seller who privately  
8 owns his or her manufactured home as his or her main residence  
9 and is selling the manufactured home to another individual or  
10 to a licensee.

11 (j) This section shall not apply to any person licensed  
12 under the Real Estate License Act of 2000.

13 (k) The Secretary of State may adopt any rules necessary to  
14 implement this Section.