

AN ACT concerning regulation.

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

Section 5. The Collateral Recovery Act is amended by changing Section 30 as follows:

(225 ILCS 422/30)

(Section scheduled to be repealed on January 1, 2022)

Sec. 30. License or registration required.

(a) It shall be unlawful for any person or entity to repossess a vehicle or collateral in this State, attempt to repossess a vehicle or collateral in this State, or to hold himself, herself, or itself out to be a repossession agency unless licensed under this Act.

(b) It shall be unlawful for any person to repossess a vehicle or collateral in this State, attempt to repossess a vehicle or collateral in this State, or to hold himself or herself out to be a licensed recovery manager unless licensed under this Act.

(c) It shall be unlawful for any person to repossess a vehicle or collateral in this State, attempt to repossess a vehicle or collateral in this State, or hold himself or herself out to be a repossession agency employee unless he or she holds a valid recovery permit issued by the Commission under this

Act.

(d) This Act does not apply to a financial institution or the employee of a financial institution when engaged in an activity otherwise covered by this Act if the activity is conducted by the employee on behalf of that financial institution.

(e) This Act does not apply to a towing company or towing operator when an employee or agent of the creditor financial institution is present at the site from which the vehicle is towed.

(f) This Act does not apply to an automobile rental company or the employee of an automobile rental company when engaged in an activity otherwise covered by this Act if the activity is conducted by the employee on behalf of that automobile rental company.

(g) This Act does not apply to a towing company or towing operator when an employee or agent of an automobile rental company is present at the site from which the vehicle is towed.

(h) This Act does not apply to a retail seller of equipment or an employee of a retail seller of equipment, as equipment is defined in Section 9-102 of the Uniform Commercial Code, and lawn and grounds care consumer goods when engaged in an activity otherwise covered by this Act if the activity is limited to the repossession of the type of goods routinely sold by that retail seller in the manner authorized by Section 9-609 of the Uniform Commercial Code on behalf of the owner of a

security interest in that collateral.

(i) This Act does not apply to an entity or the employee of an entity that primarily finances wholesale and retail transactions related to the purchase or lease of equipment manufactured by its affiliate when engaged in an activity otherwise covered by this Act if the activity is limited to the repossession of the equipment.

(j) This Act does not apply to a salvage auction or the employee of a salvage auction when engaged in an activity otherwise covered by this Act if the activity is conducted by the employee on behalf of that salvage auction.

(k) This Act does not apply to a towing company or towing operator when the company or operator is acting on behalf of a salvage auction.

(l) This Act does not apply to a vehicle auctioneer licensed under the Illinois Vehicle Code or an employee of such a vehicle auctioneer involved in the selling of a vehicle that was repossessed under this Act unless the vehicle auctioneer or employee of a vehicle auctioneer involved in the selling of the vehicle directly performs repossessions covered by this Act.

(m) This Act does not apply to a forwarding person or entity that, acting on behalf of a creditor or lender having a security agreement, does not directly perform repossessions covered by this Act, but instead forwards the actual repossession assignment to a licensed repossession agency under this Act.

Public Act 100-0102

SB1834 Enrolled

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(Source: P.A. 97-576, eff. 7-1-12; 97-708, eff. 7-1-12.)