



Rep. Martin J. Moylan

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10400HB2751ham002

LRB104 07570 LNS 24359 a

1 AMENDMENT TO HOUSE BILL 2751

2 AMENDMENT NO. _____. Amend House Bill 2751 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Vehicle Code is amended by
5 changing Sections 4-203, 5-102.1, 5-501, and 5-803 and by
6 adding Section 5-110 as follows:

7 (625 ILCS 5/4-203)

8 Sec. 4-203. Removal of motor vehicles or other vehicles;
9 towing or hauling away.

10 (a) When a vehicle is abandoned, or left unattended, on a
11 toll highway, interstate highway, or expressway for 2 hours or
12 more, its removal by a towing service may be authorized by a
13 law enforcement agency having jurisdiction.

14 (b) When a vehicle is abandoned on a highway in an urban
15 district for 10 hours or more, its removal by a towing service
16 may be authorized by a law enforcement agency having

1 jurisdiction.

2 (c) When a vehicle is abandoned or left unattended on a
3 highway other than a toll highway, interstate highway, or
4 expressway, outside of an urban district for 24 hours or more,
5 its removal by a towing service may be authorized by a law
6 enforcement agency having jurisdiction.

7 (d) When an abandoned, unattended, wrecked, burned, or
8 partially dismantled vehicle is creating a traffic hazard
9 because of its position in relation to the highway or its
10 physical appearance is causing the impeding of traffic, its
11 immediate removal from the highway or private property
12 adjacent to the highway by a towing service may be authorized
13 by a law enforcement agency having jurisdiction.

14 (e) Whenever a peace officer reasonably believes that a
15 person under arrest for a violation of Section 11-501 of this
16 Code or a similar provision of a local ordinance is likely,
17 upon release, to commit a subsequent violation of Section
18 11-501, or a similar provision of a local ordinance, the
19 arresting officer shall have the vehicle which the person was
20 operating at the time of the arrest impounded for a period of
21 12 hours after the time of arrest. However, such vehicle may be
22 released by the arresting law enforcement agency prior to the
23 end of the impoundment period if:

24 (1) the vehicle was not owned by the person under
25 arrest, and the lawful owner requesting such release
26 possesses a valid operator's license, proof of ownership,

1 and would not, as determined by the arresting law
2 enforcement agency, indicate a lack of ability to operate
3 a motor vehicle in a safe manner, or who would otherwise,
4 by operating such motor vehicle, be in violation of this
5 Code; or

6 (2) the vehicle is owned by the person under arrest,
7 and the person under arrest gives permission to another
8 person to operate such vehicle, provided however, that the
9 other person possesses a valid operator's license and
10 would not, as determined by the arresting law enforcement
11 agency, indicate a lack of ability to operate a motor
12 vehicle in a safe manner or who would otherwise, by
13 operating such motor vehicle, be in violation of this
14 Code.

15 (e-5) Whenever a registered owner of a vehicle is taken
16 into custody for operating the vehicle in violation of Section
17 11-501 of this Code or a similar provision of a local ordinance
18 or Section 6-303 of this Code, a law enforcement officer may
19 have the vehicle immediately impounded for a period not less
20 than:

21 (1) 24 hours for a second violation of Section 11-501
22 of this Code or a similar provision of a local ordinance or
23 Section 6-303 of this Code or a combination of these
24 offenses; or

25 (2) 48 hours for a third violation of Section 11-501
26 of this Code or a similar provision of a local ordinance or

1 Section 6-303 of this Code or a combination of these
2 offenses.

3 The vehicle may be released sooner if the vehicle is owned
4 by the person under arrest and the person under arrest gives
5 permission to another person to operate the vehicle and that
6 other person possesses a valid operator's license and would
7 not, as determined by the arresting law enforcement agency,
8 indicate a lack of ability to operate a motor vehicle in a safe
9 manner or would otherwise, by operating the motor vehicle, be
10 in violation of this Code.

11 (f) Except as provided in Chapter 18a of this Code, the
12 owner or lessor of privately owned real property within this
13 State, or any person authorized by such owner or lessor, or any
14 law enforcement agency in the case of publicly owned real
15 property may cause any motor vehicle abandoned or left
16 unattended upon such property without permission to be removed
17 by a towing service without liability for the costs of
18 removal, transportation, ~~or~~ storage, or damage caused by such
19 removal, transportation, or storage. The towing or removal of
20 any vehicle from private property without the consent of the
21 registered owner or other legally authorized person in control
22 of the vehicle is subject to compliance with the following
23 conditions and restrictions:

24 1. Any towed or removed vehicle must be stored at the
25 site of the towing service's place of business. The site
26 must be open during business hours, and for the purpose of

1 redemption of vehicles, during the time that the person or
2 firm towing such vehicle is open for towing purposes.

3 2. The towing service shall within 30 minutes of
4 completion of such towing or removal, notify the law
5 enforcement agency having jurisdiction of such towing or
6 removal, and the make, model, color, and license plate
7 number of the vehicle, and shall obtain and record the
8 name of the person at the law enforcement agency to whom
9 such information was reported.

10 3. If the registered owner or legally authorized
11 person entitled to possession of the vehicle shall arrive
12 at the scene prior to actual removal or towing of the
13 vehicle, the vehicle shall be disconnected from the tow
14 truck and that person shall be allowed to remove the
15 vehicle without interference, upon the payment of a
16 reasonable service fee of not more than one-half the
17 posted rate of the towing service as provided in paragraph
18 6 of this subsection, for which a receipt shall be given.

19 4. The rebate or payment of money or any other
20 valuable consideration from the towing service or its
21 owners, managers, or employees to the owners or operators
22 of the premises from which the vehicles are towed or
23 removed, for the privilege of removing or towing those
24 vehicles, is prohibited. Any individual who violates this
25 paragraph shall be guilty of a Class A misdemeanor.

26 5. Except for property appurtenant to and obviously a

1 part of a single family residence, and except for
2 instances where notice is personally given to the owner or
3 other legally authorized person in control of the vehicle
4 that the area in which that vehicle is parked is reserved
5 or otherwise unavailable to unauthorized vehicles and they
6 are subject to being removed at the owner or operator's
7 expense, any property owner or lessor, prior to towing or
8 removing any vehicle from private property without the
9 consent of the owner or other legally authorized person in
10 control of that vehicle, must post a notice meeting the
11 following requirements:

12 a. Except as otherwise provided in subparagraph
13 a.1 of this paragraph 5 of this subsection ~~subdivision~~
14 ~~(f)5~~, the notice must be prominently placed at each
15 driveway access or curb cut allowing vehicular access
16 to the property within 5 feet from the public
17 right-of-way line. If there are no curbs or access
18 barriers, the sign must be posted not less than one
19 sign each 100 feet of lot frontage.

20 a.1. In a municipality with a population of less
21 than 250,000, as an alternative to the requirement of
22 subparagraph a of this paragraph 5 of this subsection
23 ~~subdivision~~ ~~(f)5~~, the notice for a parking lot
24 contained within property used solely for a 2-family,
25 3-family, or 4-family residence may be prominently
26 placed at the perimeter of the parking lot, in a

1 position where the notice is visible to the occupants
2 of vehicles entering the lot.

3 b. The notice must indicate clearly, in not less
4 than 2 inch high light-reflective letters on a
5 contrasting background, that unauthorized vehicles
6 will be towed away at the owner's expense.

7 c. The notice must also provide the name and
8 current telephone number of the towing service towing
9 or removing the vehicle.

10 d. The sign structure containing the required
11 notices must be permanently installed with the bottom
12 of the sign not less than 4 feet above ground level,
13 and must be continuously maintained on the property
14 for not less than 24 hours prior to the towing or
15 removing of any vehicle.

16 6. Any towing service that tows or removes vehicles
17 and proposes to require the owner, operator, or person in
18 control of the vehicle to pay the costs of towing and
19 storage prior to redemption of the vehicle must file and
20 keep on record with the local law enforcement agency a
21 complete copy of the current rates to be charged for such
22 services, and post at the storage site an identical rate
23 schedule and any written contracts with property owners,
24 lessors, or persons in control of property which authorize
25 them to remove vehicles as provided in this Section. The
26 towing and storage charges, however, shall not exceed the

1 maximum allowed by the Illinois Commerce Commission under
2 Section 18a-200.

3 7. No person shall engage in the removal of vehicles
4 from private property as described in this Section without
5 filing a notice of intent in each community where he
6 intends to do such removal, and such notice shall be filed
7 at least 7 days before commencing such towing.

8 8. No removal of a vehicle from private property shall
9 be done except upon express written instructions of the
10 owners or persons in charge of the private property upon
11 which the vehicle is said to be trespassing.

12 9. Vehicle entry for the purpose of removal shall be
13 allowed with reasonable care on the part of the person or
14 firm towing the vehicle. Such person or firm shall be
15 liable for any damages occasioned to the vehicle if such
16 entry is not in accordance with the standards of
17 reasonable care.

18 9.5. Except as authorized by a law enforcement
19 officer, no towing service shall engage in the removal of
20 a commercial motor vehicle that requires a commercial
21 driver's license to operate by operating the vehicle under
22 its own power on a highway.

23 10. When a vehicle has been towed or removed pursuant
24 to this Section, it must be released to its owner,
25 custodian, agent, or lienholder within one-half hour after
26 requested, if such request is made during business hours.

1 Any vehicle owner, custodian, agent, or lienholder shall
2 have the right to inspect the vehicle before accepting its
3 return, and no release or waiver of any kind which would
4 release the towing service from liability for damages
5 incurred during the towing and storage may be required
6 from any vehicle owner or other legally authorized person
7 as a condition of release of the vehicle. A detailed,
8 signed receipt showing the legal name of the towing
9 service must be given to the person paying towing or
10 storage charges at the time of payment, whether requested
11 or not.

12 This Section shall not apply to law enforcement,
13 firefighting, rescue, ambulance, or other emergency
14 vehicles which are marked as such or to property owned by
15 any governmental entity.

16 When an authorized person improperly causes a motor
17 vehicle to be removed, such person shall be liable to the
18 owner or lessee of the vehicle for the cost of removal,
19 transportation and storage, any damages resulting from the
20 removal, transportation and storage, attorney's fee, and
21 court costs.

22 Any towing or storage charges accrued shall be payable
23 in cash or by cashier's check, certified check, debit
24 card, credit card, or wire transfer, at the option of the
25 party taking possession of the vehicle.

26 11. Towing companies shall also provide insurance

1 coverage for areas where vehicles towed under the
2 provisions of this Chapter will be impounded or otherwise
3 stored, and shall adequately cover loss by fire, theft, or
4 other risks.

5 Any person who fails to comply with the conditions and
6 restrictions of this subsection shall be guilty of a Class C
7 misdemeanor and shall be fined not less than \$100 nor more than
8 \$500.

9 (g) (1) When a vehicle is determined to be a hazardous
10 dilapidated motor vehicle pursuant to Section 11-40-3.1 of the
11 Illinois Municipal Code or Section 5-12002.1 of the Counties
12 Code, its removal and impoundment by a towing service may be
13 authorized by a law enforcement agency with appropriate
14 jurisdiction.

15 (2) When a vehicle removal from either public or private
16 property is authorized by a law enforcement agency, the owner
17 of the vehicle shall be responsible for all towing and storage
18 charges.

19 (3) Vehicles removed from public or private property and
20 stored by a commercial vehicle relocater or any other towing
21 service authorized by a law enforcement agency in compliance
22 with this Section and Sections 4-201 and 4-202 of this Code, or
23 at the request of the vehicle owner or operator, shall be
24 subject to a possessor lien for services pursuant to the Labor
25 and Storage Lien (Small Amount) Act. The provisions of Section
26 1 of that Act relating to notice and implied consent shall be

1 deemed satisfied by compliance with Section 18a-302 and
2 subsection (6) of Section 18a-300. In no event shall such lien
3 be greater than the rate or rates established in accordance
4 with subsection (6) of Section 18a-200 of this Code. In no
5 event shall such lien be increased or altered to reflect any
6 charge for services or materials rendered in addition to those
7 authorized by this Code. Every such lien shall be payable in
8 cash or by cashier's check, certified check, debit card,
9 credit card, or wire transfer, at the option of the party
10 taking possession of the vehicle.

11 (4) Any personal property belonging to the vehicle owner
12 in a vehicle subject to a lien under this subsection (g) shall
13 likewise be subject to that lien, excepting only: child
14 restraint systems as defined in Section 4 of the Child
15 Passenger Protection Act and other child booster seats;
16 eyeglasses; food; medicine; personal medical and health care
17 devices, including hearing instruments; perishable property;
18 any operator's licenses; any cash, credit cards, or checks or
19 checkbooks; any wallet, purse, or other property containing
20 any operator's licenses, social security cards, or other
21 identifying documents or materials, cash, credit cards,
22 checks, checkbooks, or passbooks; higher education textbooks
23 and study materials; and any personal property belonging to a
24 person other than the vehicle owner if that person provides
25 adequate proof that the personal property belongs to that
26 person. The spouse, child, mother, father, brother, or sister

1 of the vehicle owner may claim personal property excepted
2 under this paragraph (4) if the person claiming the personal
3 property provides the commercial vehicle relocater or towing
4 service with the authorization of the vehicle owner.

5 (5) This paragraph (5) applies only in the case of a
6 vehicle that is towed as a result of being involved in a crash.
7 In addition to the personal property excepted under paragraph
8 (4), all other personal property in a vehicle subject to a lien
9 under this subsection (g) is exempt from that lien and may be
10 claimed by the vehicle owner if the vehicle owner provides the
11 commercial vehicle relocater or towing service with proof that
12 the vehicle owner has an insurance policy covering towing and
13 storage fees. The spouse, child, mother, father, brother, or
14 sister of the vehicle owner may claim personal property in a
15 vehicle subject to a lien under this subsection (g) if the
16 person claiming the personal property provides the commercial
17 vehicle relocater or towing service with the authorization of
18 the vehicle owner and proof that the vehicle owner has an
19 insurance policy covering towing and storage fees. The
20 regulation of liens on personal property and exceptions to
21 those liens in the case of vehicles towed as a result of being
22 involved in a crash are exclusive powers and functions of the
23 State. A home rule unit may not regulate liens on personal
24 property and exceptions to those liens in the case of vehicles
25 towed as a result of being involved in a crash. This paragraph
26 (5) is a denial and limitation of home rule powers and

1 functions under subsection (h) of Section 6 of Article VII of
2 the Illinois Constitution.

3 (6) No lien under this subsection (g) shall: exceed \$2,000
4 in its total amount; or be increased or altered to reflect any
5 charge for services or materials rendered in addition to those
6 authorized by this Code.

7 (h) Whenever a peace officer issues a citation to a driver
8 for a violation of subsection (a), (a-5), or (b-5) of Section
9 11-506 of this Code or for a violation of paragraph (1) of
10 subsection (a) of Section 11-503 of this Code, the arresting
11 officer may have the vehicle which the person was operating at
12 the time of the arrest impounded for a period of 5 days after
13 the time of arrest. An impounding agency shall release a motor
14 vehicle impounded under this subsection (h) to the registered
15 owner of the vehicle under any of the following circumstances:

16 (1) if the vehicle is a stolen vehicle; or

17 (2) if the person ticketed for a violation of
18 subsection (a), (a-5), or (b-5) of Section 11-506 or
19 paragraph (1) of subsection (a) of Section 11-503 of this
20 Code was not authorized by the registered owner of the
21 vehicle to operate the vehicle at the time of the
22 violation; or

23 (3) if the registered owner of the vehicle was neither
24 the driver nor a passenger in the vehicle at the time of
25 the violation or was unaware that the driver was using the
26 vehicle to engage in street racing, street sideshow, or

1 reckless driving; or

2 (4) if the legal owner or registered owner of the
3 vehicle is a rental car agency; or

4 (5) if, prior to the expiration of the impoundment
5 period specified above, the citation is dismissed or the
6 defendant is found not guilty of the offense.

7 (i) Except for vehicles exempted under subsection (b) of
8 Section 7-601 of this Code, whenever a law enforcement officer
9 issues a citation to a driver for a violation of Section 3-707
10 of this Code, and the driver has a prior conviction for a
11 violation of Section 3-707 of this Code in the past 12 months,
12 the arresting officer shall authorize the removal and
13 impoundment of the vehicle by a towing service.

14 (j) Notwithstanding any other provision of law, if a
15 person has indicated in a timely filed report to the
16 appropriate law enforcement agency that a vehicle towed
17 pursuant to this Section has been stolen or hijacked then:

18 (1) the person shall not be liable for any
19 governmentally imposed fees, fines, or penalties; and

20 (2) if a vehicle towed pursuant to this Section is
21 registered in Illinois and the name and address of the
22 registered owner of the vehicle is provided or made
23 available to the towing service at the time of the tow,
24 then the towing service must provide written notice of the
25 tow to the registered owner within 2 business days after
26 the vehicle is towed by certified mail, return receipt

1 requested. No storage charges shall accrue if the vehicle
2 is reclaimed by paying recovery and towing charges at the
3 posted rates of the towing service as provided by
4 paragraph 6 of subsection (f) within 7 days after such
5 notice is mailed. If the vehicle is registered in a state
6 other than Illinois, then no storage charges shall accrue
7 if the vehicle is reclaimed by paying recovery and towing
8 charges at the posted rates of the towing service as
9 provided by paragraph 6 of subsection (f) within 7 days
10 after a request for registered owner information is mailed
11 by the towing service, certified mail, return receipt
12 requested, to the applicable administrative agency or
13 office in that state.

14 The towing service shall enjoy a lien to secure payment of
15 charges accrued in compliance with this subsection.

16 (k) If a vehicle is displayed for sale or for transfer of
17 ownership with a vehicle identification number that has been
18 destroyed, removed, covered, altered, or defaced, its removal
19 by a towing service may be authorized by a law enforcement
20 agency having jurisdiction.

21 (Source: P.A. 102-982, eff. 7-1-23; 103-154, eff. 6-30-23;
22 103-706, eff. 1-1-25; 103-756, eff. 1-1-25; revised 11-26-24.)

23 (625 ILCS 5/5-102.1) (from Ch. 95 1/2, par. 5-102.1)

24 Sec. 5-102.1. Permits for off site sales and exhibitions.

25 (a) A licensed new or used motor vehicle dealer licensed

1 under Section 5-101 or 5-102 shall not engage in any off site
2 sale without an off site sale permit issued by the Secretary
3 under this Section.

4 The Secretary shall issue an off site sale permit to a
5 dealer if:

6 (1) an application therefor is received by the
7 Secretary prior to the beginning date of the proposed off
8 site sale, accompanied by a fee of \$25;

9 (2) the applicant is a licensed new vehicle dealer or
10 used vehicle dealer in good standing; and

11 (3) the Secretary determines that the proposed off
12 site sale will conform with the requirements imposed by
13 law.

14 However, in no event shall an off site sale permit be
15 issued to any licensed new or used vehicle dealer for any off
16 site sale to be conducted outside that dealer's relevant
17 market area, as that term is defined in this Chapter, except
18 that this restriction shall not apply to off site sales of
19 motor homes or recreational vehicles.

20 The provisions of this subsection shall not apply to
21 self-contained motor homes, mini motor homes, van campers, and
22 recreational trailers, including trailers designed and used to
23 transport vessels or watercraft.

24 An off site sale permit does not authorize the sale of
25 vehicles on a Sunday.

26 (b) Only a new or used vehicle dealer licensed under

1 Section 5-101 or 5-102 may participate in a display exhibition
2 and shall obtain a display exhibition permit issued by the
3 Secretary under this Section.

4 The Secretary shall issue a display exhibition permit to a
5 dealer if:

6 (1) an application therefor is received by the
7 Secretary prior to the beginning date of the proposed
8 exhibition, accompanied by a fee of \$10;

9 (2) the applicant is a licensed new vehicle dealer or
10 used vehicle dealer in good standing; and

11 (3) the Secretary determines that the proposed
12 exhibition will conform with the requirements imposed by
13 law.

14 A display exhibition permit shall be valid for a period of
15 no longer than 30 days.

16 (c) A licensed new or used motor vehicle dealer under
17 Section 5-101 or 5-102, or any other person as defined in this
18 Section, may participate in a trade show exhibition and must
19 obtain a trade show exhibition permit issued by the Secretary
20 under this Section.

21 The Secretary shall issue a trade show exhibition permit
22 if:

23 (1) an application is received by the Secretary before
24 the beginning date of the proposed trade show exhibition,
25 accompanied by a fee of \$10;

26 (2) the applicant is a licensed new vehicle dealer or

1 used vehicle dealer in good standing; and

2 (3) the Secretary determines that the proposed trade
3 show exhibition shall conform with the requirements
4 imposed by law.

5 A trade show exhibition permit shall be valid for a period
6 of no longer than 30 days.

7 The provisions of this subsection shall not apply to
8 self-contained motor homes, mini motor homes, van campers, and
9 recreational trailers, including trailers designed and used to
10 transport vessels or watercraft.

11 The term "any other person" shall mean new or used vehicle
12 dealers licensed by other states; provided however, a trade
13 show exhibition of new vehicles shall only be participated in
14 by licensed new vehicle dealers, at least 2 of which must be
15 licensed under Section 5-101.

16 (d) An Illinois or out-of-state licensed new or used
17 trailer dealer, manufactured home dealer, motor home dealer,
18 mini motor home dealer, or van camper dealer shall not engage
19 in any off site sale or trade show exhibition without first
20 acquiring a permit issued by the Secretary under this
21 subsection. However, the provisions of this Section shall not
22 apply to a licensed trailer dealer selling a mobile home or
23 manufactured housing, as defined in the Illinois Manufactured
24 Housing and Mobile Home Safety Act, if the manufactured
25 housing or mobile home has utilities permanently attached. The
26 Secretary shall issue a permit to an Illinois dealer if:

1 (1) an application is received by the Secretary before
2 the beginning date of the proposed off site sale or trade
3 show exhibition, accompanied by a fee of \$25;

4 (2) the applicant is a licensed new or used vehicle
5 dealer in good standing; and

6 (3) the Secretary determines that the proposed off
7 site sale or trade show exhibition will conform with the
8 requirements imposed by law.

9 The Secretary shall issue a permit to an out-of-state
10 dealer if the requirements of subdivisions (1), (2), and (3)
11 of this subsection (d) are met and at least 2 licensed Illinois
12 dealers will participate in the off site sale or trade show
13 exhibition.

14 A permit issued pursuant to this subsection shall allow
15 for the sale of vehicles at either an off site sale or at a
16 trade show exhibition. The permit shall be valid for a period
17 not to exceed 30 days.

18 (e) The Secretary of State may adopt rules regulating the
19 conduct of off site deliveries, sales, and exhibitions, and
20 governing the issuance and enforcement of the permits
21 authorized under this Section. An Illinois licensed new or
22 used motor vehicle dealer is authorized to conduct sales
23 activities, including the collection of electronic signatures,
24 via the Internet and deliver vehicles to a customer at the
25 address provided in the customer's application, if the sale,
26 lease, or delivery is requested by the customer in writing and

1 only after the identity of the customer has been verified at
2 the time of delivery. Any documents that State or federal law
3 require to be signed in person may be signed at the time of
4 delivery without constituting an off site sale that is subject
5 to this Section. If a vehicle is delivered to an address other
6 than the licensed dealer's established place of business, the
7 date of the sale shall be that date on which the application
8 for title is signed by the purchaser of the vehicle.

9 (f) Except as otherwise provided in this Section, a motor
10 vehicle dealer or person acting as a motor vehicle dealer
11 shall not park a motor vehicle for the primary purpose of
12 displaying the vehicle for sale or for transfer of ownership
13 on any of the following:

14 (1) a public street or highway;

15 (2) a public parking lot;

16 (3) any other public property; or

17 (4) any private property if the public may lawfully
18 drive a motor vehicle on the property. This paragraph does
19 not apply if the property is a motor vehicle dealer's lot
20 and the motor vehicle that is parked on the property is in
21 the motor vehicle dealer's inventory.

22 This subsection does not prohibit off-site sales,
23 displays, or other activities permitted under this Section.

24 (g) A vehicle that is displayed for sale with a vehicle
25 identification number that has been destroyed, removed,
26 covered, altered, or defaced is subject to removal pursuant to

1 subsection (k) of Section 4-203.

2 (Source: P.A. 103-392, eff. 1-1-24.)

3 (625 ILCS 5/5-110 new)

4 Sec. 5-110. Unlicensed Motor Vehicle Dealer Enforcement
5 Task Force.

6 (a) The Unlicensed Motor Vehicle Dealer Enforcement Task
7 Force is established within the Office of the Secretary of
8 State.

9 (b) The members of the Task Force shall be appointed as
10 follows:

11 (1) 3 members of the Secretary of State's Office,
12 appointed by the Secretary of State;

13 (2) 3 members of the Department of Revenue, appointed
14 by the Director of the Department of Revenue;

15
16 (3) 3 members of the Office of the Illinois Attorney
17 General, appointed by the Attorney General;

18 (4) 3 members who represent automobile dealers, one of
19 which is a member of a statewide trade association
20 representing franchised dealers and 2 of which who are
21 nonfranchised, appointed by the Secretary of State; and

22 (5) one member who represents an auction firm or
23 credentialing company, appointed by the Secretary of
24 State.

25 (c) The purpose of the Task Force is to review unlicensed

1 motor vehicle dealer enforcement activities in the State. The
2 Task Force shall:

3 (1) explore and recommend ways to ensure consumer
4 protections are afforded to State consumers making
5 purchases from unlicensed vehicle dealers, including those
6 who are using out-of-state licenses in a manner that
7 evades the State's licensing requirements and protections;

8 (2) consider methods to identify and investigate
9 violators, with a focus on retail sales occurring through
10 the internet;

11 (3) explore methods to collect tax revenue and license
12 and title fees owed to the State;

13 (4) explore enhanced penalties and enforcement
14 mechanisms for violators; and

15 (5) address practices relating to renting dealer
16 plates and auction authority.

17 (d) Initial appointments to the Task Force shall be made
18 as soon as practicable after the effective date of this
19 amendatory Act of the 104th General Assembly. The Task Force
20 shall meet at least 4 times and issue a report to the General
21 Assembly by December 31, 2026.

22 (e) The Secretary of State shall provide administrative
23 and technical support to the Task Force.

24 (f) The members of the Task Force shall serve without
25 compensation.

26 (g) The Task Force established by this Section is

1 dissolved on January 1, 2027.

2 (625 ILCS 5/5-501) (from Ch. 95 1/2, par. 5-501)

3 Sec. 5-501. Denial, suspension or revocation or
4 cancellation of a license.

5 (a) The license of a person issued under this Chapter may
6 be denied, revoked or suspended if the Secretary of State
7 finds that the applicant, or the officer, director,
8 shareholder having a ten percent or greater ownership interest
9 in the corporation, owner, partner, trustee, manager, employee
10 or the licensee has:

11 1. Violated this Act;

12 2. Made any material misrepresentation to the
13 Secretary of State in connection with an application for a
14 license, junking certificate, salvage certificate, title
15 or registration;

16 3. Committed a fraudulent act in connection with
17 selling, bartering, exchanging, offering for sale or
18 otherwise dealing in vehicles, chassis, essential parts,
19 or vehicle shells;

20 4. As a new vehicle dealer has no contract with a
21 manufacturer or enfranchised distributor to sell that new
22 vehicle in this State;

23 5. Not maintained an established place of business as
24 defined in this Code;

25 6. Failed to file or produce for the Secretary of

1 State any application, report, document or other pertinent
2 books, records, documents, letters, contracts, required to
3 be filed or produced under this Code or any rule or
4 regulation made by the Secretary of State pursuant to this
5 Code;

6 7. Previously had, within 3 years, such a license
7 denied, suspended, revoked, or cancelled under the
8 provisions of subsection (c) (2) of this Section;

9 8. Has committed in any calendar year 3 or more
10 violations, as determined in any civil or criminal
11 proceeding, of any one or more of the following Acts:

12 a. the "Consumer Finance Act";

13 b. the "Consumer Installment Loan Act";

14 c. the "Retail Installment Sales Act";

15 d. the "Motor Vehicle Retail Installment Sales
16 Act";

17 e. "An Act in relation to the rate of interest and
18 other charges in connection with sales on credit and
19 the lending of money", approved May 24, 1879, as
20 amended;

21 f. "An Act to promote the welfare of wage-earners
22 by regulating the assignment of wages, and prescribing
23 a penalty for the violation thereof", approved July 1,
24 1935, as amended;

25 g. Part 8 of Article XII of the Code of Civil
26 Procedure; or

1 h. the "Consumer Fraud Act";

2 9. Failed to pay any fees or taxes due under this Act,
3 or has failed to transmit any fees or taxes received by him
4 for transmittal by him to the Secretary of State or the
5 State of Illinois;

6 10. Converted an abandoned vehicle;

7 11. Used a vehicle identification plate or number
8 assigned to a vehicle other than the one to which
9 originally assigned;

10 12. Violated the provisions of Chapter 5 of this Act,
11 as amended;

12 13. Violated the provisions of Chapter 4 of this Act,
13 as amended;

14 14. Violated the provisions of Chapter 3 of this Act,
15 as amended;

16 15. Violated Section 21-2 of the Criminal Code of 1961
17 or the Criminal Code of 2012, Criminal Trespass to
18 Vehicles;

19 16. Made or concealed a material fact in connection
20 with his application for a license;

21 17. Acted in the capacity of a person licensed or
22 acted as a licensee under this Chapter without having a
23 license therefor;

24 18. Failed to pay, within 90 days after a final
25 judgment, any fines assessed against the licensee pursuant
26 to an action brought under Section 5-404;

1 19. Failed to pay the Dealer Recovery Trust Fund fee
2 under Section 5-102.7 of this Code;

3 20. Failed to pay, within 90 days after notice has
4 been given, any fine or fee owed as a result of an
5 administrative citation issued by the Secretary under this
6 Code;

7 21. Violated Article 16 or 17 of the Criminal Code of
8 2102;

9 22. Was convicted of a forcible felony under either
10 the Criminal Code of 1961 or Criminal Code of 2012 or
11 convicted of a similar out-of-state offense; ~~-~~

12 23. Offered for private sale a motor vehicle in the
13 licensee's or exhibitor's inventory.

14 (b) In addition to other grounds specified in this
15 Chapter, the Secretary of State, on complaint of the
16 Department of Revenue, shall refuse the issuance or renewal of
17 a license, or suspend or revoke such license, for any of the
18 following violations of the "Retailers' Occupation Tax Act",
19 the tax imposed on corporations under subsection (b) of
20 Section 201 of the Illinois Income Tax Act, the Personal
21 Property Tax Replacement Income Tax imposed under subsections
22 (c) and (d) of Section 201 of the Illinois Income Tax Act, or
23 the tax imposed under Section 704A of the Illinois Income Tax
24 Act:

- 25 1. Failure to make a tax return;
26 2. The filing of a fraudulent return;

1 3. Failure to pay all or part of any tax or penalty
2 finally determined to be due;

3 4. Failure to comply with the bonding requirements of
4 the "Retailers' Occupation Tax Act".

5 (b-1) In addition to other grounds specified in this
6 Chapter, the Secretary of State, on complaint of the Motor
7 Vehicle Review Board, shall refuse the issuance or renewal of
8 a license, or suspend or revoke that license, if costs or fees
9 assessed under Section 29 or Section 30 of the Motor Vehicle
10 Franchise Act have remained unpaid for a period in excess of 90
11 days after the licensee received from the Motor Vehicle Board
12 a second notice and demand for the costs or fees. The Motor
13 Vehicle Review Board must send the licensee written notice and
14 demand for payment of the fees or costs at least 2 times, and
15 the second notice and demand must be sent by certified mail.

16 (c) Cancellation of a license.

17 1. The license of a person issued under this Chapter
18 may be cancelled by the Secretary of State prior to its
19 expiration in any of the following situations:

20 A. When a license is voluntarily surrendered, by
21 the licensed person; or

22 B. If the business enterprise is a sole
23 proprietorship, which is not a franchised dealership,
24 when the sole proprietor dies or is imprisoned for any
25 period of time exceeding 30 days; or

26 C. If the license was issued to the wrong person or

1 corporation, or contains an error on its face. If any
2 person above whose license has been cancelled wishes
3 to apply for another license, whether during the same
4 license year or any other year, that person shall be
5 treated as any other new applicant and the
6 cancellation of the person's prior license shall not,
7 in and of itself, be a bar to the issuance of a new
8 license.

9 2. The license of a person issued under this Chapter
10 may be cancelled without a hearing when the Secretary of
11 State is notified that the applicant, or any officer,
12 director, shareholder having a 10 per cent or greater
13 ownership interest in the corporation, owner, partner,
14 trustee, manager, employee or member of the applicant or
15 the licensee has been convicted of any felony involving
16 the selling, bartering, exchanging, offering for sale, or
17 otherwise dealing in vehicles, chassis, essential parts,
18 vehicle shells, or ownership documents relating to any of
19 the above items.

20 (Source: P.A. 101-505, eff. 1-1-20.)

21 (625 ILCS 5/5-803)

22 Sec. 5-803. Administrative penalties. Instead of filing a
23 criminal complaint against a new or used vehicle dealer, or
24 against any other entity licensed by the Secretary under this
25 Code, or any other unlicensed entity acting in violation of

1 this Code, a Secretary of State Police investigator may issue
2 administrative citations for violations of any of the
3 provisions of this Code or any administrative rule adopted by
4 the Secretary under this Code. A party receiving a citation
5 shall have the right to contest the citation in proceedings
6 before the Secretary of State Department of Administrative
7 Hearings. Penalties imposed by issuance of an administrative
8 citation shall not exceed \$50 per violation, except for
9 violations of subsections (f) and (g) of Section 5-102.1, in
10 which case penalties imposed by issuance of an administrative
11 citation shall not be less than \$1,000 and shall not exceed
12 \$3,000 per violation. A penalty may not be imposed unless,
13 during the course of a single investigation or upon review of
14 the party's records, the party is found to have committed at
15 least 3 separate violations of one or more of the provisions of
16 this Code or any administrative rule adopted by the Secretary
17 under this Code, except for violations of subsections (f) and
18 (g) of Section 5-102.1. Penalties paid as a result of the
19 issuance of administrative citations shall be deposited in the
20 Secretary of State Police Services Fund. If the Secretary of
21 State has reasonable cause to believe from information
22 furnished to the Secretary or from an investigation made by a
23 Secretary of State Police that a person is engaged in a
24 business regulated by this Chapter without being licensed as
25 required by law, the Secretary shall immediately issue and
26 serve on the person by personal delivery or first class mail at

1 the person's last known address a cease and desist order
2 requiring the person to immediately cease and desist from
3 further engaging in the business and shall notify the person
4 that the person has the right to contest the cease and desist
5 order in proceedings before the Secretary of State's
6 Department of Administrative Hearings and that penalties may
7 be imposed pursuant to this Section. The Secretary shall
8 provide a copy of the cease and desist order to the Director of
9 the Department of Revenue.

10 (Source: P.A. 101-572, eff. 8-23-19.)".