

100TH GENERAL ASSEMBLY State of Illinois 2017 and 2018 SB3036

Introduced 2/15/2018, by Sen. Chuck Weaver

SYNOPSIS AS INTRODUCED:

225 ILCS 407/30-30 225 ILCS 427/25 225 ILCS 454/25-10 225 ILCS 458/25-10

Amends the Auction License Act, the Community Association Manager Licensing and Disciplinary Act, the Real Estate License Act of 2000, and the Real Estate Appraiser Licensing Act of 2002. Makes changes to the terms for members of the Auction Advisory Board, the Community Association Manager Licensing and Disciplinary Board, the Real Estate Administration and Disciplinary Board, and the Real Estate Appraisal Administration and Disciplinary Board. Provides that the members' terms shall be for 4 years and the term expires upon completion of the term. Provides that the Community Association Manager Licensing and Disciplinary Board that are serving on the Board on the effective date of the amendatory Act may serve the remainder of their unexpired terms. Provides that no member of the Real Estate Administration and Disciplinary Board shall be reappointed to the Board for a term that would cause his or her cumulative service to the Board to exceed 10 years (rather than 12 years). Makes changes to the appointment process for vacancies on the Auction Advisory Board, the Community Association Manager Licensing and Disciplinary Board, and the Real Estate Appraisal Administration and Disciplinary Board. Effective immediately.

LRB100 17553 XWW 32723 b

1 AN ACT concerning regulation.

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

- Section 5. The Auction License Act is amended by changing Section 30-30 as follows:
- 6 (225 ILCS 407/30-30)

- 7 (Section scheduled to be repealed on January 1, 2020)
- 8 Sec. 30-30. Auction Advisory Board.
 - (a) There is hereby created the Auction Advisory Board. The Advisory Board shall consist of 7 members and shall be appointed by the Secretary. In making the appointments, the Secretary shall give due consideration to the recommendations by members and organizations of the industry, including but not limited to the Illinois State Auctioneers Association. Five members of the Advisory Board shall be licensed auctioneers, except that for the initial appointments, these members may be persons without a license, but who have been auctioneers for at least 5 years preceding their appointment to the Advisory Board. One member shall be a public member who represents the interests of consumers and who is not licensed under this Act or the spouse of a person licensed under this Act or who has any responsibility for management or formation of policy of or any financial interest in the auctioneering profession or any

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- other connection with the profession. One member shall be actively engaged in the real estate industry and licensed as a broker or salesperson. The Advisory Board shall annually elect one of its members to serve as Chairperson.
 - (b) The members' terms shall be for 4 years and expire upon completion of the term. No member shall be reappointed to the Board for a term that would cause his or her cumulative service to the Board to exceed 10 years. Appointments to fill vacancies shall be made by the Secretary for the unexpired portion of the term. Members shall be appointed for a term of 4 years, except that of the initial appointments, 3 members shall be appointed to serve a term of 3 years and 4 members shall be appointed to serve a term of 4 years. The Secretary shall fill a vacancy the remainder of any unexpired term. Each member shall serve on the Advisory Board until his or her successor is appointed and qualified. No person shall be appointed to serve more than 2 terms, including the unexpired portion of a term due to vacancy. To the extent practicable, the Secretary shall appoint members to ensure insure that the various geographic regions of the State are properly represented on the Advisory Board.
 - (c) Four Board members shall constitute a quorum. A quorum is required for all Board decisions.
 - (d) Each member of the Advisory Board shall receive a per diem stipend in an amount to be determined by the Secretary. Each member shall be paid his or her necessary expenses while engaged in the performance of his or her duties.

- 1 (e) Members of the Advisory Board shall be immune from suit
- 2 in an action based upon any disciplinary proceedings or other
- 3 acts performed in good faith as members of the Advisory Board.
- 4 (f) The Advisory Board shall meet as convened by the
- 5 Department.
- 6 (g) The Advisory Board shall advise the Department on
- 7 matters of licensing and education and make recommendations to
- 8 the Department on those matters and shall hear and make
- 9 recommendations to the Secretary on disciplinary matters that
- 10 require a formal evidentiary hearing.
- 11 (h) The Secretary shall give due consideration to all
- 12 recommendations of the Advisory Board.
- 13 (Source: P.A. 95-572, eff. 6-1-08; 96-730, eff. 8-25-09.)
- 14 Section 10. The Community Association Manager Licensing
- and Disciplinary Act is amended by changing Section 25 as
- 16 follows:
- 17 (225 ILCS 427/25)
- 18 (Section scheduled to be repealed on January 1, 2020)
- 19 Sec. 25. Community Association Manager Licensing and
- 20 Disciplinary Board.
- 21 (a) There is hereby created the Community Association
- 22 Manager Licensing and Disciplinary Board, which shall consist
- of 7 members appointed by the Secretary. All members must be
- 24 residents of the State and must have resided in the State for

capacity to the Department.

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at least 5 years immediately preceding the date of appointment. 1 2 Five members of the Board must be licensees under this Act, at least two members of which shall be supervising community 3 association managers. Two members of the Board shall be owners 4 5 of, or hold a shareholder's interest in, a unit in a community association at the time of appointment who are not licensees 6 under this Act and have no direct affiliation or work 7 8 experience with the community association's community 9 association manager. This Board shall act in an advisory

(b) Members serving on the Board on the effective date of this amendatory Act of the 100th General Assembly may serve the remainder of their unexpired terms. Thereafter, the members' terms shall be for 4 years and expire upon completion of the term. No member shall be reappointed to the Board for a term that would cause his or her cumulative service to the Board to exceed 10 years. Appointments to fill vacancies shall be made by the Secretary for the unexpired portion of the term. Board members shall serve for terms of 5 years, except that, initially, 4 members shall serve for 5 years and 3 members shall serve for 4 years. All members shall serve until his or her successor is appointed and qualified. All vacancies shall filled in like manner for the unexpired term. No member shall serve for more than 2 successive terms. The Secretary shall remove from the Board any member whose license has become void or has been revoked or suspended and may remove any member

- of the Board for neglect of duty, misconduct, or incompetence. 1
- 2 A member who is subject to formal disciplinary proceedings
- shall disqualify himself or herself from all Board business 3
- until the charge is resolved. A member also shall disqualify
- 5 himself or herself from any matter on which the member cannot
- 6 act objectively.
- 7 (c) Four Board members shall constitute a quorum. A quorum
- 8 is required for all Board decisions.
- 9 (d) The Board shall elect annually a chairperson and vice
- 10 chairperson.
- 11 (e) Each member shall receive reimbursement as set by the
- 12 Governor's Travel Control Board for expenses incurred in
- carrying out the duties as a Board member. The Board shall be 13
- 14 compensated as determined by the Secretary.
- 15 (f) The Board may recommend policies, procedures, and rules
- 16 relevant to the administration and enforcement of this Act.
- 17 (Source: P.A. 98-365, eff. 1-1-14.)
- Section 15. The Real Estate License Act of 2000 is amended 18
- 19 by changing Section 25-10 as follows:
- 20 (225 ILCS 454/25-10)
- 21 (Section scheduled to be repealed on January 1, 2020)
- Sec. 25-10. Real Estate Administration and Disciplinary 22
- 23 Board; duties. There is created the Real Estate Administration
- 24 and Disciplinary Board. The Board shall be composed of 15

persons appointed by the Governor. Members shall be appointed to the Board subject to the following conditions:

- (1) All members shall have been residents and citizens of this State for at least 6 years prior to the date of appointment.
- (2) Twelve members shall have been actively engaged as managing brokers or brokers or both for at least the 10 years prior to the appointment, 2 of whom must possess an active pre-license instructor license.
- (3) Three members of the Board shall be public members who represent consumer interests.

None of these members shall be (i) a person who is licensed under this Act or a similar Act of another jurisdiction, (ii) the spouse or family member of a licensee, (iii) a person who has an ownership interest in a real estate brokerage business, or (iv) a person the Department determines to have any other connection with a real estate brokerage business or a licensee.

The members' terms shall be <u>for</u> 4 years <u>and expire upon</u> completion of the term or until their successor is appointed, and the expiration of their terms shall be staggered. No member shall be reappointed to the Board for a term that would cause his or her cumulative service to the Board to exceed <u>10</u> 12 years. Appointments to fill vacancies shall be for the unexpired portion of the term. Those members of the Board that satisfy the requirements of paragraph (2) shall be chosen in a manner such that no area of the State shall be unreasonably

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represented. In making the appointments, the Governor shall give due consideration to the recommendations by members and organizations of the profession. The Governor may terminate the appointment of any member for cause that in the opinion of the Governor reasonably justifies the termination. Cause for shall include without limitation misconduct, termination incapacity, neglect of duty, or missing 4 board meetings during any one calendar year. Each member of the Board may receive a per diem stipend in an amount to be determined by the Secretary. Each member shall be paid his or her necessary expenses while engaged in the performance of his or her duties. Such compensation and expenses shall be paid out of the Real Estate License Administration Fund. The Secretary shall consider the recommendations of the Board on questions involving standards of professional conduct, discipline, education, and policies and procedures under this Act. With regard to this subject matter, the Secretary may establish temporary or permanent committees of the Board and may consider the recommendations of the Board on matters that include, but are not limited to, criteria for the licensing and renewal of education providers, pre-license and continuing education instructors, pre-license and continuing education curricula, standards of educational criteria, and qualifications for and renewal of professions, courses, instructors. The Department, after notifying and considering the recommendations of the Board, if any, may issue rules,

- 1 consistent with the provisions of this Act, for the
- 2 administration and enforcement thereof and may prescribe forms
- 3 that shall be used in connection therewith. Eight Board members
- 4 shall constitute a quorum. A quorum is required for all Board
- 5 decisions.
- 6 (Source: P.A. 99-227, eff. 8-3-15; 100-188, eff. 1-1-18.)
- 7 Section 20. The Real Estate Appraiser Licensing Act of 2002
- 8 is amended by changing Section 25-10 as follows:
- 9 (225 ILCS 458/25-10)
- 10 (Section scheduled to be repealed on January 1, 2022)
- 11 Sec. 25-10. Real Estate Appraisal Administration and
- 12 Disciplinary Board; appointment.
- 13 (a) There is hereby created the Real Estate Appraisal
- 14 Administration and Disciplinary Board. The Board shall be
- 15 composed of 10 persons appointed by the Governor, plus the
- 16 Coordinator of the Real Estate Appraisal Division. Members
- 17 shall be appointed to the Board subject to the following
- 18 conditions:
- 19 (1) All appointed members shall have been residents and
- 20 citizens of this State for at least 5 years prior to the
- 21 date of appointment.
- 22 (2) The appointed membership of the Board should
- 23 reasonably reflect the geographic distribution of the
- 24 population of the State.

- (3) Four appointed members shall have been actively engaged and currently licensed as State certified general real estate appraisers for a period of not less than 5 years.
- (4) Two appointed members shall have been actively engaged and currently licensed as State certified residential real estate appraisers for a period of not less than 5 years.
- (5) Two appointed members shall hold a valid license as a real estate broker for at least 10 years prior to the date of the appointment, one of whom shall hold a valid State certified general real estate appraiser license issued under this Act or a predecessor Act for a period of at least 5 years prior to the appointment and one of whom shall hold a valid State certified residential real estate appraiser license issued under this Act or a predecessor Act for a period of at least 5 years prior to the appointment.
- (6) One appointed member shall be a representative of a financial institution, as evidenced by his or her employment with a financial institution.
- (7) One appointed member shall represent the interests of the general public. This member or his or her spouse shall not be licensed under this Act nor be employed by or have any interest in an appraisal business, appraisal management company, real estate brokerage business, or a

1 financial institution.

In making appointments as provided in paragraphs (3) and (4) of this subsection, the Governor shall give due consideration to recommendations by members and organizations representing the profession.

In making the appointments as provided in paragraph (5) of this subsection, the Governor shall give due consideration to the recommendations by members and organizations representing the real estate industry.

In making the appointment as provided in paragraph (6) of this subsection, the Governor shall give due consideration to the recommendations by members and organizations representing financial institutions.

- (b) The members' terms shall be for 4 years and expire upon completion of the term. No member shall be reappointed to the Board for a term that would cause his or her cumulative service to the Board to exceed 10 years. Appointments to fill vacancies shall be for the unexpired portion of the term. The term for members of the Board shall be 4 years, and each member shall serve until his or her successor is appointed and qualified.
- (c) The Governor may terminate the appointment of a member for cause that, in the opinion of the Governor, reasonably justifies the termination. Cause for termination may include, without limitation, misconduct, incapacity, neglect of duty, or missing 4 Board meetings during any one calendar year.
 - (d) A majority of the Board members shall constitute a

- quorum. A vacancy in the membership of the Board shall not impair the right of a quorum to exercise all of the rights and perform all of the duties of the Board.
 - (e) The Board shall meet at least quarterly and may be convened by the Chairperson, Vice-Chairperson, or 3 members of the Board upon 10 days written notice.
 - (f) The Board shall, annually at the first meeting of the fiscal year, elect a Chairperson and Vice-Chairperson from its members. The Chairperson shall preside over the meetings and shall coordinate with the Coordinator in developing and distributing an agenda for each meeting. In the absence of the Chairperson, the Vice-Chairperson shall preside over the meeting.
 - (g) The Coordinator of the Real Estate Appraisal Division shall serve as a member of the Board without vote.
 - (h) The Board shall advise and make recommendations to the Department on the education and experience qualifications of any applicant for initial licensure as a State certified general real estate appraiser or a State certified residential real estate appraiser. The Department shall not make any decisions concerning education or experience qualifications of an applicant for initial licensure as a State certified general real estate appraiser or a State certified residential real estate appraiser without having first received the advice and recommendation of the Board and shall give due consideration to all such advice and recommendations; however, if the Board does

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- not render advice or make a recommendation within a reasonable amount of time, then the Department may render a decision.
 - (i) Except as provided in Section 15-17 of this Act, the Board shall hear and make recommendations to the Secretary on disciplinary matters that require a formal evidentiary hearing. The Secretary shall give due consideration to the recommendations of the Board involving discipline and questions involving standards of professional conduct of licensees.
 - (j) The Department shall seek and the Board shall provide recommendations to the Department consistent with the provisions of this Act and for the administration and enforcement of all rules adopted pursuant to this Act. The Department shall give due consideration to recommendations prior to adopting rules.
 - (k) The Department shall seek and the Board shall provide recommendations to the Department on the approval of all courses submitted to the Department pursuant to this Act and the rules adopted pursuant to this Act. The Department shall not approve any courses without having first received the recommendation of the Board and shall give due consideration to such recommendations prior to approving and licensing courses; however, if the Board does not make a recommendation within a reasonable amount of time, then the Department may approve courses.
 - (1) Each voting member of the Board shall receive a per

- diem stipend in an amount to be determined by the Secretary.
- 2 Each member shall be paid his or her necessary expenses while
- 3 engaged in the performance of his or her duties.
- 4 (m) Members of the Board shall be immune from suit in an
- 5 action based upon any disciplinary proceedings or other acts
- 6 performed in good faith as members of the Board.
- 7 (n) If the Department disagrees with any advice or
- 8 recommendation provided by the Board under this Section to the
- 9 Secretary or the Department, then notice of such disagreement
- 10 must be provided to the Board by the Department.
- 11 (o) Upon resolution adopted at any Board meeting, the
- 12 exercise of any Board function, power, or duty enumerated in
- this Section or in subsection (d) of Section 15-10 of this Act
- 14 may be suspended. The exercise of any suspended function,
- power, or duty of the Board may be reinstated by a resolution
- adopted at a subsequent Board meeting. Any resolution adopted
- 17 pursuant to this Section shall take effect immediately.
- 18 (Source: P.A. 98-1109, eff. 1-1-15.)
- 19 Section 99. Effective date. This Act takes effect upon
- 20 becoming law.