



## 101ST GENERAL ASSEMBLY

### State of Illinois

2019 and 2020

HB5596

by Rep. John C. D'Amico

#### SYNOPSIS AS INTRODUCED:

625 ILCS 5/5-401.2

from Ch. 95 1/2, par. 5-401.2

Amends the Article regarding records required to be kept by dealers, transporters, wreckers, and rebuilders of the Illinois Vehicle Code. Deletes various requirements regarding records that every person licensed under specific provisions of the Code are required to keep. Provides that the record requirements for essential parts apply only to essential parts that are 3 (rather than 6) model years of age or newer. Provides that all entries relating to the disposition of a vehicle or an essential part shall be made no later than the close of business on the seventh calendar day following (rather than at the time of) the disposition. Deletes language requiring every person licensed as a transporter to maintain a record of every vehicle transported by him for 3 years. Deletes language providing that each violation of various provisions regarding recordkeeping constitutes a separate and distinct offense and a separate count may be brought in the same indictment or information for each vehicle or essential party of a vehicle for which a record was not kept. Makes other changes.

LRB101 19345 LNS 68816 b

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 Section 5-401.2 as follows:

6 (625 ILCS 5/5-401.2) (from Ch. 95 1/2, par. 5-401.2)

7 Sec. 5-401.2. Licensees required to keep records and make  
8 inspections.

9 (a) Every person licensed or required to be licensed under  
10 Section 5-101, 5-101.1, 5-101.2, 5-102, 5-102.8, 5-301, or  
11 5-302 of this Code, shall, with the exception of scrap  
12 processors, maintain for 3 years, in a form as the Secretary of  
13 State may by rule or regulation prescribe, at his established  
14 place of business, additional place of business, or principal  
15 place of business if licensed under Section 5-302, the  
16 following records relating to the acquisition or disposition of  
17 vehicles and their essential parts possessed in this State,  
18 brought into this State from another state, territory or  
19 country, or sold or transferred to another person in this State  
20 or in another state, territory, or country.

21 (1) The following records pertaining to new or used  
22 vehicles shall be kept:

23 (A) the year, make, and model, ~~style and color~~ of

1 the vehicle;

2 (B) the vehicle's manufacturer's identification  
3 number or, if applicable, the Secretary of State or  
4 Illinois Department of State Police identification  
5 number;

6 (C) the date of acquisition of the vehicle;

7 (D) the name and address of the person from whom  
8 the vehicle was acquired and, if that person is a  
9 dealer, the Illinois or out-of-state dealer license  
10 number of such person;

11 (E) (blank); ~~the signature of the person making the~~  
12 ~~inspection of a used vehicle as required under~~  
13 ~~subsection (d) of this Section, if applicable;~~

14 (F) (blank); ~~the purchase price of the vehicle, if~~  
15 ~~applicable;~~

16 (G) the date of the disposition of the vehicle;

17 (H) the name and address of the person to whom any  
18 vehicle was disposed, and if that person is a dealer,  
19 the Illinois or out-of-State dealer's license number  
20 of that dealer;

21 (I) the uniform invoice number reflecting the  
22 disposition of the vehicle, if applicable; and

23 (J) (blank). ~~The sale price of the vehicle, if~~  
24 ~~applicable.~~

25 (2) (A) The following records pertaining to used  
26 essential parts other than quarter panels and

1 transmissions of vehicles of the first division shall be  
2 kept:

3 (i) the year, make, and model, ~~color and type~~ of  
4 such part;

5 (ii) the vehicle's manufacturer's identification  
6 number, derivative number, or, if applicable, the  
7 Secretary of State or Illinois Department of State  
8 Police identification number of such part;

9 (iii) (blank); ~~the date of the acquisition of each~~  
10 ~~part;~~

11 (iv) (blank); ~~the name and address of the person~~  
12 ~~from whom the part was acquired and, if that person is~~  
13 ~~a dealer, the Illinois or out-of-state dealer license~~  
14 ~~number of such person; if the essential part being~~  
15 ~~acquired is from a person other than a dealer, the~~  
16 ~~licensee shall verify and record that person's~~  
17 ~~identity by recording the identification numbers from~~  
18 ~~at least two sources of identification, one of which~~  
19 ~~shall be a drivers license or State identification~~  
20 ~~card;~~

21 (v) the uniform invoice number or out-of-state  
22 bill of sale number reflecting the acquisition of such  
23 part;

24 (vi) the stock number assigned to the essential  
25 part by the licensee, if applicable;

26 (vii) the date of the disposition of such part;

1 (viii) the name and address of the person to whom  
2 such part was disposed of and, if that person is a  
3 dealer, the Illinois or out-of-state dealer license  
4 number of that person;

5 (ix) the uniform invoice number reflecting the  
6 disposition of such part.

7 (B) Inspections of all essential parts shall be  
8 conducted in accordance with Section 5-402.1.

9 (C) A separate entry containing all of the information  
10 required to be recorded in subparagraph (A) of paragraph  
11 (2) of subsection (a) of this Section shall be made for  
12 each separate essential part. Separate entries shall be  
13 made regardless of whether the part was a large purchase  
14 acquisition. In addition, a separate entry shall be made  
15 for each part acquired for immediate sale or transfer, or  
16 for placement into the overall inventory or stock to be  
17 disposed of at a later time, or for use on a vehicle to be  
18 materially altered by the licensee, or acquired for any  
19 other purpose or reason. Failure to make a separate entry  
20 for each essential part acquired or disposed of, or a  
21 failure to record any of the specific information required  
22 to be recorded concerning the acquisition or disposition of  
23 each essential part as set forth in subparagraph (A) of  
24 paragraph (2) of subsection (a) shall constitute a failure  
25 to keep records.

26 (D) The vehicle's manufacturer's identification number

1 or Secretary of State or Illinois Department of State  
2 Police identification number for the essential part shall  
3 be ascertained and recorded even if such part is acquired  
4 from a person or dealer located in a State, territory, or  
5 country which does not require that such information be  
6 recorded. If the vehicle's manufacturer's identification  
7 number or Secretary of State or Illinois Department of  
8 State Police identification number for an essential part  
9 cannot be obtained, that part shall not be acquired by the  
10 licensee or any of his agents or employees. If such part or  
11 parts were physically acquired by the licensee or any of  
12 his agents or employees while the licensee or agent or  
13 employee was outside this State, that licensee or agent or  
14 employee was outside the State, that licensee, agent or  
15 employee shall not bring such essential part into this  
16 State or cause it to be brought into this State. The  
17 acquisition or disposition of an essential part by a  
18 licensee without the recording of the vehicle  
19 identification number or Secretary of State identification  
20 number for such part or the transportation into the State  
21 by the licensee or his agent or employee of such part or  
22 parts shall constitute a failure to keep records.

23 (E) The records of essential parts required to be kept  
24 by this Section shall apply to all hulks, chassis, frames  
25 or cowls, regardless of the age of those essential parts.  
26 The records required to be kept by this Section for

1 essential parts other than hulks, chassis, frames or cowl,  
2 shall apply only to those essential parts which are 3 ~~6~~  
3 model years of age or newer. In determining the model year  
4 of such an essential part it may be presumed that the  
5 identification number of the vehicle from which the  
6 essential part came or the identification number affixed to  
7 the essential part itself acquired by the licensee denotes  
8 the model year of that essential part. This presumption,  
9 however, shall not apply if the gross appearance of the  
10 essential part does not correspond to the year, make or  
11 model of either the identification number of the vehicle  
12 from which the essential part is alleged to have come or  
13 the identification number which is affixed to the essential  
14 part itself. To determine whether an essential part is 3 ~~6~~  
15 years of age or newer within this paragraph, the model year  
16 of the essential part shall be subtracted from the calendar  
17 year in which the essential part is acquired or disposed of  
18 by the licensee. If the remainder is 3 ~~6~~ or less, the  
19 record of the acquisition or disposition of that essential  
20 part shall be kept as required by this Section.

21 (F) The requirements of paragraph (2) of subsection (a)  
22 of this Section shall not apply to the disposition of an  
23 essential part other than a cowl which has been damaged or  
24 altered to a state in which it can no longer be returned to  
25 a usable condition and which is being sold or transferred  
26 to a scrap processor or for delivery to a scrap processor.

1 (3) the following records for vehicles on which junking  
2 certificates are obtained shall be kept:

3 (A) the year, make, and model, ~~style and color~~ of the  
4 vehicle;

5 (B) the vehicle's manufacturer's identification number  
6 or, if applicable, the Secretary of State or Illinois  
7 Department of State Police identification number;

8 (C) the date the vehicle was acquired;

9 (D) the name and address of the person from whom the  
10 vehicle was acquired and, if that person is a dealer, the  
11 Illinois or out-of-state dealer license number of that  
12 person;

13 (E) the certificate of title number or salvage  
14 certificate number for the vehicle, if applicable;

15 (F) the junking certificate number obtained by the  
16 licensee; this entry shall be recorded at the close of  
17 business of the fifth business day after receiving the  
18 junking certificate;

19 (G) (blank); ~~the name and address of the person to whom~~  
20 ~~the junking certificate has been assigned, if applicable,~~  
21 ~~and if that person is a dealer, the Illinois or~~  
22 ~~out-of-state dealer license number of that dealer;~~

23 (H) (blank). ~~if the vehicle or any part of the vehicle~~  
24 ~~is dismantled for its parts to be disposed of in any way,~~  
25 ~~or if such parts are to be used by the licensee to~~  
26 ~~materially alter a vehicle, those essential parts shall be~~



1 ~~recorded and the entries required by paragraph (2) of~~  
2 ~~subsection (a) shall be made.~~

3 (4) The following records for rebuilt vehicles shall be  
4 kept:

5 (A) the year, make, and model, ~~style and color~~ of the  
6 vehicle;

7 (B) the vehicle's manufacturer's identification number  
8 of the vehicle ~~or, if applicable, the Secretary of State or~~  
9 ~~Illinois Department of State Police identification number;~~

10 (C) the date the vehicle was acquired;

11 (D) the name and address of the person from whom the  
12 vehicle was acquired, and if that person is a dealer, the  
13 Illinois or out-of-state dealer license number of that  
14 person;

15 (E) (blank); ~~the salvage certificate number for the~~  
16 ~~vehicle;~~

17 (F) (blank); ~~the newly issued certificate of title~~  
18 ~~number for the vehicle;~~

19 (G) the date of disposition of the vehicle;

20 (H) the name and address of the person to whom the  
21 vehicle was disposed, and if a dealer, the Illinois or  
22 out-of-state dealer license number of that dealer;

23 (I) (blank). ~~The sale price of the vehicle.~~

24 (a-1) A person licensed or required to be licensed under  
25 Section 5-101 or Section 5-102 of this Code who issues  
26 temporary registration permits as permitted by this Code and by

1 rule must electronically file the registration with the  
2 Secretary and must maintain records of the registration in the  
3 manner prescribed by the Secretary.

4 (b) A failure to make separate entries for each vehicle  
5 acquired, disposed of, or assigned, or a failure to record any  
6 of the specific information required to be recorded concerning  
7 the acquisition or disposition of each vehicle as set forth in  
8 paragraphs (1), (3) and (4) of subsection (a) shall constitute  
9 a failure to keep records.

10 (c) All entries relating to the acquisition of a vehicle or  
11 essential part required by subsection (a) of this Section shall  
12 be recorded no later than the close of business on the seventh  
13 calendar day following such acquisition. All entries relating  
14 to the disposition of a vehicle or an essential part shall be  
15 made no later than the close of business on the seventh  
16 calendar day following ~~at the time of~~ such disposition. ~~If the~~  
17 ~~vehicle or essential part was disposed of on the same day as~~  
18 ~~its acquisition or the day thereafter, the entries relating to~~  
19 ~~the acquisition of the vehicle or essential part shall be made~~  
20 ~~at the time of the disposition of the vehicle or essential~~  
21 ~~part.~~ Failure to make the entries required in or at the times  
22 prescribed by this subsection following the acquisition or  
23 disposition of such vehicle or essential part shall constitute  
24 a failure to keep records.

25 (d) Every person licensed or required to be licensed shall,  
26 before accepting delivery of a used vehicle, inspect the

1 vehicle to determine whether the manufacturer's public vehicle  
2 identification number has been defaced, destroyed, falsified,  
3 removed, altered, or tampered with in any way. If the person  
4 making the inspection determines that the manufacturer's  
5 public vehicle identification number has been altered,  
6 removed, defaced, destroyed, falsified or tampered with he or  
7 she shall ~~not acquire that vehicle but instead shall~~ promptly  
8 notify law enforcement authorities of his or her finding.

9 (e) The information required to be kept in subsection (a)  
10 of this Section shall be kept in a manner prescribed by rule or  
11 regulation of the Secretary of State.

12 (f) Every person licensed or required to be licensed shall  
13 have in his possession a separate certificate of title, salvage  
14 certificate, junking certificate, certificate of purchase,  
15 uniform invoice, out-of-state bill of sale or other acceptable  
16 documentary evidence of his right to the possession of every  
17 vehicle or essential part.

18 (g) (Blank). ~~Every person licensed or required to be~~  
19 ~~licensed as a transporter under Section 5-201 shall maintain~~  
20 ~~for 3 years, in such form as the Secretary of State may by rule~~  
21 ~~or regulation prescribe, at his principal place of business a~~  
22 ~~record of every vehicle transported by him, including numbers~~  
23 ~~of or other marks of identification thereof, the names and~~  
24 ~~addresses of persons from whom and to whom the vehicle was~~  
25 ~~delivered and the dates of delivery.~~

26 (h) No later than 15 days prior to going out of business,

1 selling the business, or transferring the ownership of the  
2 business, the licensee shall notify the Secretary of State that  
3 he is going out of business or that he is transferring the  
4 ownership of the business. Failure to notify under this  
5 paragraph shall constitute a failure to keep records.

6 (i) (Blank).

7 (j) A person who knowingly fails to comply with the  
8 provisions of this Section or knowingly fails to obey, observe,  
9 or comply with any order of the Secretary ~~or any law~~  
10 ~~enforcement agency~~ issued in accordance with this Section is  
11 guilty of a Class B misdemeanor for the first violation and a  
12 Class A misdemeanor for the second and subsequent violations.  
13 ~~Each violation constitutes a separate and distinct offense and~~  
14 ~~a separate count may be brought in the same indictment or~~  
15 ~~information for each vehicle or each essential part of a~~  
16 ~~vehicle for which a record was not kept as required by this~~  
17 ~~Section.~~

18 (k) Any person convicted of failing to keep the records  
19 required by this Section with intent to conceal the identity or  
20 origin of a vehicle ~~or its essential parts or~~ with intent to  
21 defraud the public in the transfer or sale of vehicles ~~or their~~  
22 ~~essential parts~~ is guilty of a Class 2 felony. ~~Each violation~~  
23 ~~constitutes a separate and distinct offense and a separate~~  
24 ~~count may be brought in the same indictment or information for~~  
25 ~~each vehicle or essential part of a vehicle for which a record~~  
26 ~~was not kept as required by this Section.~~

1           (1) A person may not be criminally charged with or  
2 convicted of both a knowing failure to comply with this Section  
3 and a knowing failure to comply with any order, if both  
4 offenses involve the same record keeping violation.

5           (m) The Secretary shall adopt rules necessary for  
6 implementation of this Section, which may include the  
7 imposition of administrative fines.

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