



## 102ND GENERAL ASSEMBLY

### State of Illinois

2021 and 2022

HB0107

Introduced 1/14/2021, by Rep. Jaime M. Andrade, Jr.

#### SYNOPSIS AS INTRODUCED:

625 ILCS 5/5-401.2

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

Amends the Illinois Vehicle Code. Provides that licensed dealers, financing affiliates, parts recyclers, scrap processors, repairers, rebuilders, and out-of-state salvage vehicle buyers shall retain records relating to the acquisition or disposition of tire rims, including the date of the acquisition of each tire rim and the name and address of the person from whom the tire rim was acquired and, if that person is a dealer, the Illinois or out-of-state dealer license number of such person. Provides that, if the tire rim being acquired is from a person other than a dealer, the licensee shall verify and record that person's identity by recording the identification numbers from at least 2 sources of identification, one of which shall be a driver's license or State identification card.

LRB102 03975 HEP 13991 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  
5 changing 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  
17 of vehicles, ~~and~~ and their essential parts, and tire rims  
18 possessed in this State, brought into this State from another  
19 state, territory or country, or sold or transferred to another  
20 person in this State or in another state, territory, or  
21 country.

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

1 (A) the year, make, model, style and color of the  
2 vehicle;

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

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

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

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

15 (F) the purchase price of the vehicle, if  
16 applicable;

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

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

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

24 (J) The sale price of the vehicle, if 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, model, color and type of such  
4 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) the date of the acquisition of each part;

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

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

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

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

25 (viii) the name and address of the person to whom  
26 such part was disposed of and, if that person is a

1 dealer, the Illinois or out-of-state dealer license  
2 number of that person;

3 (ix) the uniform invoice number reflecting the  
4 disposition of such part.

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

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

24 (D) The vehicle's manufacturer's identification number  
25 or Secretary of State or Illinois Department of State  
26 Police identification number for the essential part shall

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

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

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

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

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

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

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



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

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

5 (A) the year, make, 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  
9 or Illinois Department of State Police identification  
10 number;

11 (C) the date the vehicle was acquired;

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

16 (E) the salvage certificate number for the vehicle;

17 (F) the newly issued certificate of title number for  
18 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) The sale price of the vehicle.

24 (5) The following records pertaining to tire rims shall be  
25 kept:

26 (A) the date of the acquisition of each tire rim; and

1           (B) the name and address of the person from whom the  
2           tire rim was acquired and, if that person is a dealer, the  
3           Illinois or out-of-state dealer license number of such  
4           person; if the tire rim being acquired is from a person  
5           other than a dealer, the licensee shall verify and record  
6           that person's identity by recording the identification  
7           numbers from at least 2 sources of identification, one of  
8           which shall be a driver's license or State identification  
9           card.

10           (a-1) A person licensed or required to be licensed under  
11           Section 5-101 or Section 5-102 of this Code who issues  
12           temporary registration permits as permitted by this Code and  
13           by rule must electronically file the registration with the  
14           Secretary and must maintain records of the registration in the  
15           manner prescribed by the Secretary.

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

22           (c) All entries relating to the acquisition of a vehicle  
23           or essential part required by subsection (a) of this Section  
24           shall be recorded no later than the close of business on the  
25           seventh calendar day following such acquisition. All entries  
26           relating to the disposition of a vehicle or an essential part

1 shall be made at the time of such disposition. If the vehicle  
2 or essential part was disposed of on the same day as its  
3 acquisition or the day thereafter, the entries relating to the  
4 acquisition of the vehicle or essential part shall be made at  
5 the time of the disposition of the vehicle or essential part.  
6 Failure to make the entries required in or at the times  
7 prescribed by this subsection following the acquisition or  
8 disposition of such vehicle or essential part shall constitute  
9 a failure to keep records.

10 (d) Every person licensed or required to be licensed  
11 shall, before accepting delivery of a used vehicle, inspect  
12 the vehicle to determine whether the manufacturer's public  
13 vehicle identification number has been defaced, destroyed,  
14 falsified, removed, altered, or tampered with in any way. If  
15 the person making the inspection determines that the  
16 manufacturer's public vehicle identification number has been  
17 altered, removed, defaced, destroyed, falsified or tampered  
18 with he shall not acquire that vehicle but instead shall  
19 promptly notify law enforcement authorities of his finding.

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

23 (f) Every person licensed or required to be licensed shall  
24 have in his possession a separate certificate of title,  
25 salvage certificate, junking certificate, certificate of  
26 purchase, uniform invoice, out-of-state bill of sale or other

1 acceptable documentary evidence of his right to the possession  
2 of every vehicle or essential part.

3 (g) Every person licensed or required to be licensed as a  
4 transporter under Section 5-201 shall maintain for 3 years, in  
5 such form as the Secretary of State may by rule or regulation  
6 prescribe, at his principal place of business a record of  
7 every vehicle transported by him, including numbers of or  
8 other marks of identification thereof, the names and addresses  
9 of persons from whom and to whom the vehicle was delivered and  
10 the dates of delivery.

11 (h) No later than 15 days prior to going out of business,  
12 selling the business, or transferring the ownership of the  
13 business, the licensee shall notify the Secretary of State  
14 that he is going out of business or that he is transferring the  
15 ownership of the business. Failure to notify under this  
16 paragraph shall constitute a failure to keep records.

17 (i) (Blank).

18 (j) A person who knowingly fails to comply with the  
19 provisions of this Section or knowingly fails to obey,  
20 observe, or comply with any order of the Secretary or any law  
21 enforcement agency issued in accordance with this Section is  
22 guilty of a Class B misdemeanor for the first violation and a  
23 Class A misdemeanor for the second and subsequent violations.  
24 Each violation constitutes a separate and distinct offense and  
25 a separate count may be brought in the same indictment or  
26 information for each vehicle or each essential part of a

1 vehicle for which a record was not kept as required by this  
2 Section.

3 (k) Any person convicted of failing to keep the records  
4 required by this Section with intent to conceal the identity  
5 or origin of a vehicle or its essential parts or with intent to  
6 defraud the public in the transfer or sale of vehicles or their  
7 essential parts is guilty of a Class 2 felony. Each violation  
8 constitutes a separate and distinct offense and a separate  
9 count may be brought in the same indictment or information for  
10 each vehicle or essential part of a vehicle for which a record  
11 was not kept as required by this Section.

12 (l) A person may not be criminally charged with or  
13 convicted of both a knowing failure to comply with this  
14 Section and a knowing failure to comply with any order, if both  
15 offenses involve the same record keeping violation.

16 (m) The Secretary shall adopt rules necessary for  
17 implementation of this Section, which may include the  
18 imposition of administrative fines.

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