



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB2528

Introduced 2/19/2021, by Rep. Jay Hoffman

SYNOPSIS AS INTRODUCED:

625 ILCS 5/3-116	from Ch. 95 1/2, par. 3-116
625 ILCS 5/3-117.1	from Ch. 95 1/2, par. 3-117.1
625 ILCS 5/3-117.2	from Ch. 95 1/2, par. 3-117.2
625 ILCS 5/3-801	from Ch. 95 1/2, par. 3-801
625 ILCS 5/5-401.2	from Ch. 95 1/2, par. 5-401.2
625 ILCS 5/5-402	from Ch. 95 1/2, par. 5-402
625 ILCS 5/5-402.1	from Ch. 95 1/2, par. 5-402.1

Amends the Illinois Vehicle Code. Provides that the Secretary of State, upon receipt of an application for a new certificate of title, an application for a certificate of title by a transferee, an application for a certificate of title pursuant to a court order awarding ownership to the applicant, an application for a junking certificate, or an application for a salvage certificate, shall remove the current owner registration and license plate record on file associated with the vehicle's serial number before issuing a new certificate. Makes changes to provisions regarding: junk vehicle notification format; the types of records required to be kept by specified licensees under the Code; and the information required to be contained on a uniform invoice for essential parts. Makes other changes.

LRB102 15764 RAM 21131 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 Sections 3-116, 3-117.1, 3-117.2, 3-801, 5-401.2,
6 5-402, and 5-402.1 as follows:

7 (625 ILCS 5/3-116) (from Ch. 95 1/2, par. 3-116)

8 Sec. 3-116. When Secretary of State to issue a certificate
9 of title.

10 (a) The Secretary of State, upon receipt of a properly
11 assigned certificate of title, with an application for a
12 certificate of title, the required fee and any other documents
13 required by law, shall remove the current owner registration
14 and license plate record on file associated with the vehicle's
15 serial number and shall issue a new certificate of title in the
16 name of the transferee as owner and mail it to the first
17 lienholder named in it or, if none, to the owner or owner's
18 designee.

19 (b) The Secretary of State, upon receipt of an application
20 for a new certificate of title by a transferee other than by
21 voluntary transfer, with proof of the transfer, the required
22 fee and any other documents required by law, shall remove the
23 current owner registration and license plate record on file

1 associated with the vehicle's serial number and shall issue a
2 new certificate of title in the name of the transferee as
3 owner.

4 (b-5) The Secretary of State, upon receipt of an
5 application for a certificate of title and the required fee,
6 may issue a certificate of title to an out-of-state resident
7 if the out-of-state resident is a bona fide purchaser of a
8 vehicle or a manufactured home from a dealer licensed in this
9 State under Section 5-101, 5-101.2, or 5-102 of this Code and
10 the licensed dealer files for bankruptcy, surrenders his or
11 her license, or is otherwise no longer operating as a licensed
12 dealer and does not properly transfer the title application to
13 the bona fide purchaser prior to the licensed dealer's
14 business closure.

15 (c) Any person, firm or corporation, who shall knowingly
16 possess, buy, sell, exchange or give away, or offer to buy,
17 sell, exchange or give away the certificate of title to any
18 motor vehicle which is a junk or salvage, or who shall fail to
19 surrender the certificate of title to the Secretary of State
20 as required under the provisions of this Section and Section
21 3-117.2, shall be guilty of Class 3 felony.

22 (d) The Secretary of State shall file and retain for four
23 (4) years a record of every surrendered certificate of title
24 or proof of ownership accepted by the Secretary of State, the
25 file to be maintained so as to permit the tracing of title of
26 the vehicle designated therein. Such filing and retention

1 requirements shall be in addition to and not in substitution
2 for the recordkeeping requirements set forth in Section 3-106
3 of this Code, which recordkeeping requirements are not limited
4 to any period of time.

5 (e) The Secretary of State, upon receipt of an application
6 for corrected certificate of title, with the original title,
7 the required fee and any other required documents, shall issue
8 a corrected certificate of title in the name of the owner and
9 mail it to the first lienholder named in it or, if none, to the
10 owner or owner's designee.

11 (f) The Secretary of State, upon receipt of a certified
12 copy of a court order awarding ownership to an applicant along
13 with an application for a certificate of title and the
14 required fee, shall remove the current owner registration and
15 license plate record on file associated with the vehicle's
16 serial number and shall issue a certificate of title to the
17 applicant.

18 (Source: P.A. 100-450, eff. 1-1-18.)

19 (625 ILCS 5/3-117.1) (from Ch. 95 1/2, par. 3-117.1)

20 Sec. 3-117.1. When junking certificates or salvage
21 certificates must be obtained.

22 (a) Except as provided in Chapter 4 and Sections 3-117.2
23 and ~~Section~~ 3-117.3 of this Code, a person who possesses a junk
24 vehicle shall within 15 days cause the certificate of title,
25 salvage certificate, certificate of purchase, or a similarly

1 acceptable out-of-state document of ownership to be
2 surrendered to the Secretary of State along with an
3 application for a junking certificate, except as provided in
4 Section 3-117.2, whereupon the Secretary of State shall remove
5 the current owner registration and license plate record on
6 file associated with the vehicle's serial number and shall
7 issue to such a person a junking certificate, which shall
8 authorize the holder thereof to possess, transport, or, by an
9 endorsement, transfer ownership in such junked vehicle, and a
10 certificate of title shall not again be issued for such
11 vehicle. The owner of a junk vehicle is not required to
12 surrender the certificate of title under this subsection if
13 (i) there is no lienholder on the certificate of title or (ii)
14 the owner of the junk vehicle has a valid lien release from the
15 lienholder releasing all interest in the vehicle and the owner
16 applying for the junk certificate matches the current record
17 on the certificate of title file for the vehicle.

18 A licensee who possesses a junk vehicle and a Certificate
19 of Title, Salvage Certificate, Certificate of Purchase, or a
20 similarly acceptable out-of-state document of ownership for
21 such junk vehicle, may transport the junk vehicle to another
22 licensee prior to applying for or obtaining a junking
23 certificate, by executing a uniform invoice. The licensee
24 transferor shall furnish a copy of the uniform invoice to the
25 licensee transferee at the time of transfer. In any case, the
26 licensee transferor shall apply for a junking certificate in

1 conformance with Section 3-117.1 of this Chapter. The
2 following information shall be contained on a uniform invoice:

3 (1) The business name, address and dealer license
4 number of the person disposing of the vehicle, junk
5 vehicle or vehicle cowl;

6 (2) The name and address of the person acquiring the
7 vehicle, junk vehicle or vehicle cowl, and if that person
8 is a dealer, the Illinois or out-of-state dealer license
9 number of that dealer;

10 (3) The date of the disposition of the vehicle, junk
11 vehicle or vehicle cowl;

12 (4) The year, make, model, color and description of
13 each vehicle, junk vehicle or vehicle cowl disposed of by
14 such person;

15 (5) The manufacturer's vehicle identification number,
16 Secretary of State identification number or Illinois
17 Department of State Police number, for each vehicle, junk
18 vehicle or vehicle cowl part disposed of by such person;

19 (6) The printed name and legible signature of the
20 person or agent disposing of the vehicle, junk vehicle or
21 vehicle cowl; and

22 (7) The printed name and legible signature of the
23 person accepting delivery of the vehicle, junk vehicle or
24 vehicle cowl.

25 The Secretary of State may certify a junking manifest in a
26 form prescribed by the Secretary of State that reflects those

1 vehicles for which junking certificates have been applied or
2 issued. A junking manifest may be issued to any person and it
3 shall constitute evidence of ownership for the vehicle listed
4 upon it. A junking manifest may be transferred only to a person
5 licensed under Section 5-301 of this Code as a scrap
6 processor. A junking manifest will allow the transportation of
7 those vehicles to a scrap processor prior to receiving the
8 junk certificate or a junk vehicle electronic record from the
9 Secretary of State.

10 (b) An application for a salvage certificate shall be
11 submitted to the Secretary of State in any of the following
12 situations:

13 (1) When an insurance company makes a payment of
14 damages on a total loss claim for a vehicle, the insurance
15 company shall be deemed to be the owner of such vehicle and
16 the vehicle shall be considered to be salvage except that
17 ownership of (i) a vehicle that has incurred only hail
18 damage that does not affect the operational safety of the
19 vehicle or (ii) any vehicle 9 model years of age or older
20 may, by agreement between the registered owner and the
21 insurance company, be retained by the registered owner of
22 such vehicle. The insurance company shall promptly deliver
23 or mail within 20 days the certificate of title along with
24 proper application and fee to the Secretary of State, and
25 a salvage certificate shall be issued in the name of the
26 insurance company. Notwithstanding the foregoing, an

1 insurer making payment of damages on a total loss claim
2 for the theft of a vehicle shall not be required to apply
3 for a salvage certificate unless the vehicle is recovered
4 and has incurred damage that initially would have caused
5 the vehicle to be declared a total loss by the insurer.

6 (1.1) When a vehicle of a self-insured company is to
7 be sold in the State of Illinois and has sustained damaged
8 by collision, fire, theft, rust corrosion, or other means
9 so that the self-insured company determines the vehicle to
10 be a total loss, or if the cost of repairing the damage,
11 including labor, would be greater than 70% of its fair
12 market value without that damage, the vehicle shall be
13 considered salvage. The self-insured company shall
14 promptly deliver the certificate of title along with
15 proper application and fee to the Secretary of State, and
16 a salvage certificate shall be issued in the name of the
17 self-insured company. A self-insured company making
18 payment of damages on a total loss claim for the theft of a
19 vehicle may exchange the salvage certificate for a
20 certificate of title if the vehicle is recovered without
21 damage. In such a situation, the self-insured shall fill
22 out and sign a form prescribed by the Secretary of State
23 which contains an affirmation under penalty of perjury
24 that the vehicle was recovered without damage and the
25 Secretary of State may, by rule, require photographs to be
26 submitted.

1 (2) When a vehicle the ownership of which has been
2 transferred to any person through a certificate of
3 purchase from acquisition of the vehicle at an auction,
4 other dispositions as set forth in Sections 4-208 and
5 4-209 of this Code, or a lien arising under Section
6 18a-501 of this Code shall be deemed salvage or junk at the
7 option of the purchaser. The person acquiring such vehicle
8 in such manner shall promptly deliver or mail, within 20
9 days after the acquisition of the vehicle, the certificate
10 of purchase, the proper application and fee, and, if the
11 vehicle is an abandoned mobile home under the Abandoned
12 Mobile Home Act, a certification from a local law
13 enforcement agency that the vehicle was purchased or
14 acquired at a public sale under the Abandoned Mobile Home
15 Act to the Secretary of State and a salvage certificate or
16 junking certificate shall be issued in the name of that
17 person. The salvage certificate or junking certificate
18 issued by the Secretary of State under this Section shall
19 be free of any lien that existed against the vehicle prior
20 to the time the vehicle was acquired by the applicant
21 under this Code.

22 (3) A vehicle which has been repossessed by a
23 lienholder shall be considered to be salvage only when the
24 repossessed vehicle, on the date of repossession by the
25 lienholder, has sustained damage by collision, fire,
26 theft, rust corrosion, or other means so that the cost of

1 repairing such damage, including labor, would be greater
2 than 33 1/3% of its fair market value without such damage.
3 If the lienholder determines that such vehicle is damaged
4 in excess of 33 1/3% of such fair market value, the
5 lienholder shall, before sale, transfer or assignment of
6 the vehicle, make application for a salvage certificate,
7 and shall submit with such application the proper fee and
8 evidence of possession. If the facts required to be shown
9 in subsection (f) of Section 3-114 are satisfied, the
10 Secretary of State shall issue a salvage certificate in
11 the name of the lienholder making the application. In any
12 case wherein the vehicle repossessed is not damaged in
13 excess of 33 1/3% of its fair market value, the lienholder
14 shall comply with the requirements of subsections (f),
15 (f-5), and (f-10) of Section 3-114, except that the
16 affidavit of repossession made by or on behalf of the
17 lienholder shall also contain an affirmation under penalty
18 of perjury that the vehicle on the date of sale is not
19 damaged in excess of 33 1/3% of its fair market value. If
20 the facts required to be shown in subsection (f) of
21 Section 3-114 are satisfied, the Secretary of State shall
22 issue a certificate of title as set forth in Section 3-116
23 of this Code. The Secretary of State may by rule or
24 regulation require photographs to be submitted.

25 (4) A vehicle which is a part of a fleet of more than 5
26 commercial vehicles registered in this State or any other

1 state or registered proportionately among several states
2 shall be considered to be salvage when such vehicle has
3 sustained damage by collision, fire, theft, rust,
4 corrosion or similar means so that the cost of repairing
5 such damage, including labor, would be greater than 33
6 1/3% of the fair market value of the vehicle without such
7 damage. If the owner of a fleet vehicle desires to sell,
8 transfer, or assign his interest in such vehicle to a
9 person within this State other than an insurance company
10 licensed to do business within this State, and the owner
11 determines that such vehicle, at the time of the proposed
12 sale, transfer or assignment is damaged in excess of 33
13 1/3% of its fair market value, the owner shall, before
14 such sale, transfer or assignment, make application for a
15 salvage certificate. The application shall contain with it
16 evidence of possession of the vehicle. If the fleet
17 vehicle at the time of its sale, transfer, or assignment
18 is not damaged in excess of 33 1/3% of its fair market
19 value, the owner shall so state in a written affirmation
20 on a form prescribed by the Secretary of State by rule or
21 regulation. The Secretary of State may by rule or
22 regulation require photographs to be submitted. Upon sale,
23 transfer or assignment of the fleet vehicle the owner
24 shall mail the affirmation to the Secretary of State.

25 (5) A vehicle that has been submerged in water to the
26 point that rising water has reached over the door sill and

1 has entered the passenger or trunk compartment is a "flood
2 vehicle". A flood vehicle shall be considered to be
3 salvage only if the vehicle has sustained damage so that
4 the cost of repairing the damage, including labor, would
5 be greater than 33 1/3% of the fair market value of the
6 vehicle without that damage. The salvage certificate
7 issued under this Section shall indicate the word "flood",
8 and the word "flood" shall be conspicuously entered on
9 subsequent titles for the vehicle. A person who possesses
10 or acquires a flood vehicle that is not damaged in excess
11 of 33 1/3% of its fair market value shall make application
12 for title in accordance with Section 3-116 of this Code,
13 designating the vehicle as "flood" in a manner prescribed
14 by the Secretary of State. The certificate of title issued
15 shall indicate the word "flood", and the word "flood"
16 shall be conspicuously entered on subsequent titles for
17 the vehicle.

18 (6) When any licensed rebuilder, repairer, new or used
19 vehicle dealer, or remittance agent has submitted an
20 application for title to a vehicle (other than an
21 application for title to a rebuilt vehicle) that he or she
22 knows or reasonably should have known to have sustained
23 damages in excess of 33 1/3% of the vehicle's fair market
24 value without that damage; provided, however, that any
25 application for a salvage certificate for a vehicle
26 recovered from theft and acquired from an insurance

1 company shall be made as required by paragraph (1) of this
2 subsection (b).

3 (c) Any person who without authority acquires, sells,
4 exchanges, gives away, transfers or destroys or offers to
5 acquire, sell, exchange, give away, transfer or destroy the
6 certificate of title to any vehicle which is a junk or salvage
7 vehicle shall be guilty of a Class 3 felony.

8 (d) Except as provided under subsection (a), any person
9 who knowingly fails to surrender to the Secretary of State a
10 certificate of title, salvage certificate, certificate of
11 purchase or a similarly acceptable out-of-state document of
12 ownership as required under the provisions of this Section is
13 guilty of a Class A misdemeanor for a first offense and a Class
14 4 felony for a subsequent offense; except that a person
15 licensed under this Code who violates paragraph (5) of
16 subsection (b) of this Section is guilty of a business offense
17 and shall be fined not less than \$1,000 nor more than \$5,000
18 for a first offense and is guilty of a Class 4 felony for a
19 second or subsequent violation.

20 (e) Any vehicle which is salvage or junk may not be driven
21 or operated on roads and highways within this State. A
22 violation of this subsection is a Class A misdemeanor. A
23 salvage vehicle displaying valid special plates issued under
24 Section 3-601(b) of this Code, which is being driven to or from
25 an inspection conducted under Section 3-308 of this Code, is
26 exempt from the provisions of this subsection. A salvage

1 vehicle for which a short term permit has been issued under
2 Section 3-307 of this Code is exempt from the provisions of
3 this subsection for the duration of the permit.

4 (Source: P.A. 100-104, eff. 11-9-17; 100-956, eff. 1-1-19;
5 100-1083, eff. 1-1-19; 101-81, eff. 7-12-19.)

6 (625 ILCS 5/3-117.2) (from Ch. 95 1/2, par. 3-117.2)

7 Sec. 3-117.2. Junk Vehicle Notification. Beginning July 1,
8 1989 a person licensed as an automotive parts recycler or a
9 scrap processor pursuant to Section 5-301 of this Code who
10 acquires a properly assigned Certificate of Title, a Salvage
11 Certificate, a Certificate of Purchase, or a similarly
12 acceptable out-of-state document of ownership pursuant to
13 Section 5-401.3 of this Code, shall within 15 days of
14 acquiring such document, submit it by mail or electronic
15 format acceptable to the Secretary of State along with a Junk
16 Vehicle Notification, the form and manner for which shall be
17 as prescribed by Secretary of State rule or regulation. An
18 automotive parts recycler or a ~~A~~ scrap processor who acquires
19 the above named documents of ownership pursuant to Section
20 5-401.3 shall not be required to apply for or obtain a junking
21 certificate. The information contained on a Junk Vehicle
22 Notification shall be duly recorded by the Secretary of State
23 upon the receipt of such Notification by mail or electronic
24 format acceptable to the Secretary of State. The Secretary of
25 State shall not again issue a Certificate of Title or Salvage

1 Certificate for any vehicle listed on a Junk Vehicle
2 Notification.

3 (Source: P.A. 85-1204.)

4 (625 ILCS 5/3-801) (from Ch. 95 1/2, par. 3-801)

5 Sec. 3-801. Registration.

6 (a) Except as provided herein for new residents, every
7 owner of any vehicle which shall be operated upon the public
8 highways of this State shall, within 24 hours after becoming
9 the owner or at such time as such vehicle becomes subject to
10 registration under the provisions of this Act, file in an
11 office of the Secretary of State, an application for
12 registration properly completed and executed. New residents
13 need not secure registration until 30 days after establishing
14 residency in this State, provided the vehicle is properly
15 registered in another jurisdiction. By the expiration of such
16 30-day statutory grace period, a new resident shall comply
17 with the provisions of this Act and apply for Illinois vehicle
18 registration. All applications for registration shall be
19 accompanied by all documentation required under the provisions
20 of this Act. The appropriate registration fees and taxes
21 provided for in this Article of this Chapter shall be paid to
22 the Secretary of State with the application for registration
23 of vehicles subject to registration under this Act.

24 (b) Any resident of this State, who has been serving as a
25 member or as a civilian employee of the United States Armed

1 Services, or as a civilian employee of the United States
2 Department of Defense, outside of the State of Illinois, need
3 not secure registration until 45 days after returning to this
4 State, provided the vehicle displays temporary military
5 registration.

6 (c) When an application is submitted by mail, the
7 applicant may not submit cash or postage stamps for payment of
8 fees or taxes due. The Secretary in his discretion, may
9 decline to accept a personal or company check or electronic
10 payment in payment of fees or taxes. An application submitted
11 to a dealer, or a remittance made to the Secretary of State
12 shall be deemed in compliance with this Section.

13 (d) The Secretary of State shall remove the current owner
14 registration and license plate record on file associated with
15 the vehicle's serial number before issuing a new certificate
16 of title, a junk certificate, or a salvage certificate for any
17 title.

18 (Source: P.A. 99-118, eff. 1-1-16; 99-324, eff. 1-1-16;
19 99-642, eff. 7-28-16.)

20 (625 ILCS 5/5-401.2) (from Ch. 95 1/2, par. 5-401.2)

21 Sec. 5-401.2. Licensees required to keep records and make
22 inspections.

23 (a) Every person licensed or required to be licensed under
24 Section 5-101, 5-101.1, 5-101.2, 5-102, 5-102.8, 5-301, or
25 5-302 of this Code, shall, with the exception of scrap

1 processors, maintain for 3 years, in a form as the Secretary of
2 State may by rule or regulation prescribe, at his established
3 place of business, additional place of business, or principal
4 place of business if licensed under Section 5-302, the
5 following records relating to the acquisition or disposition
6 of vehicles and their essential parts possessed in this State,
7 brought into this State from another state, territory or
8 country, or sold or transferred to another person in this
9 State or in another state, territory, or country.

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

12 (A) the year, make, and model, ~~style and color~~ of
13 the vehicle;

14 (B) the vehicle's manufacturer's identification
15 number or, if applicable, the Secretary of State or
16 Illinois Department of State Police identification
17 number;

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

19 (D) the name and address of the person from whom
20 the vehicle was acquired and, if that person is a
21 dealer, the Illinois or out-of-state dealer license
22 number of such person;

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

26 (F) (blank); ~~the purchase price of the vehicle, if~~

1 ~~applicable;~~

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

3 (H) the name and address of the person to whom any
4 vehicle was disposed, and if that person is a dealer,
5 the Illinois or out-of-State dealer's license number
6 of that dealer;

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

9 (J) (blank). ~~The sale price of the vehicle, if~~
10 ~~applicable.~~

11 (2) (A) The following records pertaining to used
12 essential parts other than quarter panels and
13 transmissions of vehicles of the first division shall be
14 kept:

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

17 (ii) the vehicle's manufacturer's identification
18 number, derivative number, or, if applicable, the
19 Secretary of State or Illinois Department of State
20 Police identification number of such part;

21 (iii) (blank); ~~the date of the acquisition of each~~
22 ~~part;~~

23 (iv) (blank); ~~the name and address of the person~~
24 ~~from whom the part was acquired and, if that person is~~
25 ~~a dealer, the Illinois or out-of-state dealer license~~
26 ~~number of such person; if the essential part being~~

1 ~~acquired is from a person other than a dealer, the~~
2 ~~licensee shall verify and record that person's~~
3 ~~identity by recording the identification numbers from~~
4 ~~at least two sources of identification, one of which~~
5 ~~shall be a drivers license or State identification~~
6 ~~card;~~

7 (v) the uniform invoice number or out-of-state
8 bill of sale number reflecting the acquisition of such
9 part;

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

12 (vii) (blank); ~~the date of the disposition of such~~
13 ~~part;~~

14 (viii) the name and address of the person to whom
15 such part was disposed of and, if that person is a
16 dealer, the Illinois or out-of-state dealer license
17 number of that person;

18 (ix) the uniform invoice number reflecting the
19 disposition of such part.

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

22 (C) A separate entry containing all of the information
23 required to be recorded in subparagraph (A) of paragraph
24 (2) of subsection (a) of this Section shall be made for
25 each separate essential part. Separate entries shall be
26 made regardless of whether the part was a large purchase

1 acquisition. In addition, a separate entry shall be made
2 for each part acquired for immediate sale or transfer, or
3 for placement into the overall inventory or stock to be
4 disposed of at a later time, or for use on a vehicle to be
5 materially altered by the licensee, or acquired for any
6 other purpose or reason. Failure to make a separate entry
7 for each essential part acquired or disposed of, ~~or a~~
8 ~~failure to record any of the specific information required~~
9 ~~to be recorded concerning the acquisition or disposition~~
10 ~~of each essential part~~ as set forth in subparagraph (A) of
11 paragraph (2) of subsection (a) shall constitute a failure
12 to keep records.

13 (D) The vehicle's manufacturer's identification number
14 or Secretary of State or Illinois Department of State
15 Police identification number for the essential part shall
16 be ascertained and recorded even if such part is acquired
17 from a person or dealer located in a State, territory, or
18 country which does not require that such information be
19 recorded. If the vehicle's manufacturer's identification
20 number or Secretary of State or Illinois Department of
21 State Police identification number for an essential part
22 cannot be obtained, ~~that part shall not be acquired by the~~
23 ~~licensee or any of his agents or employees~~ shall promptly
24 notify law enforcement authorities of the finding. ~~If such~~
25 ~~part or parts were physically acquired by the licensee or~~
26 ~~any of his agents or employees while the licensee or agent~~

1 ~~or employee was outside this State, that licensee or agent~~
2 ~~or employee was outside the State, that licensee, agent or~~
3 ~~employee shall not bring such essential part into this~~
4 ~~State or cause it to be brought into this State. The~~
5 ~~acquisition or disposition of an essential part by a~~
6 ~~licensee without the recording of the vehicle~~
7 ~~identification number or Secretary of State identification~~
8 ~~number for such part or the transportation into the State~~
9 ~~by the licensee or his agent or employee of such part or~~
10 ~~parts shall constitute a failure to keep records.~~

11 (E) The records of essential parts required to be kept
12 by this Section ~~shall apply to all hulks, chassis, frames~~
13 ~~or cowl, regardless of the age of those essential parts.~~
14 ~~The records required to be kept by this Section for~~
15 ~~essential parts other than hulks, chassis, frames or~~
16 ~~cowl,~~ shall apply only to those essential parts which are
17 3 ~~6~~ model years of age or newer. In determining the model
18 year of such an essential part it may be presumed that the
19 identification number of the vehicle from which the
20 essential part came or the identification number affixed
21 to the essential part itself acquired by the licensee
22 denotes the model year of that essential part. This
23 presumption, however, shall not apply if the gross
24 appearance of the essential part does not correspond to
25 the year, make or model of either the identification
26 number of the vehicle from which the essential part is

1 alleged to have come or the identification number which is
2 affixed to the essential part itself. To determine whether
3 an essential part is 3 ~~6~~ years of age or newer within this
4 paragraph, the model year of the essential part shall be
5 subtracted from the calendar year in which the essential
6 part is acquired or disposed of by the licensee. If the
7 remainder is 3 ~~6~~ or less, the record of the acquisition or
8 disposition of that essential part shall be kept as
9 required by this Section.

10 (F) The requirements of paragraph (2) of subsection
11 (a) of this Section shall not apply to the disposition of
12 an essential part other than a cowl which has been damaged
13 or altered to a state in which it can no longer be returned
14 to a usable condition and which is being sold or
15 transferred to a scrap processor or for delivery to a
16 scrap processor.

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

19 (A) the year, make, and model, ~~style and color~~ of the
20 vehicle;

21 (B) the vehicle's manufacturer's identification number
22 or, if applicable, the Secretary of State or Illinois
23 Department of State Police identification number;

24 (C) the date the vehicle was acquired;

25 (D) the name and address of the person from whom the
26 vehicle was acquired and, if that person is a dealer, the

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

3 (E) the certificate of title number, junking
4 certificate number, electronic junk vehicle record, or
5 salvage certificate number for the vehicle, if applicable;

6 (F) (blank); the junking certificate number obtained
7 by the licensee; ~~this entry shall be recorded at the close~~
8 ~~of business of the fifth business day after receiving the~~
9 ~~junking certificate;~~

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

14 (H) (blank). ~~if the vehicle or any part of the vehicle~~
15 ~~is dismantled for its parts to be disposed of in any way,~~
16 ~~or if such parts are to be used by the licensee to~~
17 ~~materially alter a vehicle, those essential parts shall be~~
18 ~~recorded and the entries required by paragraph (2) of~~
19 ~~subsection (a) shall be made.~~

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

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

24 (B) the vehicle's manufacturer's identification number
25 of the vehicle or, if applicable, the Secretary of State
26 or Illinois Department of State Police identification

1 number;

2 (C) the date the vehicle was acquired;

3 (D) the name and address of the person from whom the
4 vehicle was acquired, and if that person is a dealer, the
5 Illinois or out-of-state dealer license number of that
6 person;

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

8 (F) the newly issued certificate of title number for
9 the vehicle;

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

11 (H) the name and address of the ~~person to whom the~~
12 ~~vehicle was disposed, and if a dealer and,~~ the Illinois or
13 out-of-state dealer license number of that dealer;

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

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

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

1 (c) All entries relating to the acquisition of a vehicle
2 or essential part required by subsection (a) of this Section
3 shall be recorded no later than the close of business on the
4 seventh calendar day following such acquisition. ~~All entries~~
5 ~~relating to the disposition of a vehicle or an essential part~~
6 ~~shall be made at the time of such disposition. If the vehicle~~
7 ~~or essential part was disposed of on the same day as its~~
8 ~~acquisition or the day thereafter, the entries relating to the~~
9 ~~acquisition of the vehicle or essential part shall be made at~~
10 ~~the time of the disposition of the vehicle or essential part.~~
11 Failure to make the entries required in or at the times
12 prescribed by this subsection following the acquisition or
13 disposition of such vehicle or essential part shall constitute
14 a failure to keep records.

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

26 (e) The information required to be kept in subsection (a)

1 of this Section shall be kept in a manner prescribed by rule or
2 regulation of the Secretary of State.

3 (f) Every person licensed or required to be licensed shall
4 have in his or her possession a separate certificate of title,
5 salvage certificate, junking certificate, certificate of
6 purchase, uniform invoice, out-of-state bill of sale,
7 electronic junk vehicle record or other acceptable documentary
8 evidence of his or her right to the possession of every vehicle
9 or essential part.

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

18 (h) No later than 15 days prior to going out of business,
19 selling the business, or transferring the ownership of the
20 business, the licensee shall notify the Secretary of State
21 that he is going out of business or that he is transferring the
22 ownership of the business. Failure to notify under this
23 paragraph shall constitute a failure to keep records.

24 (i) (Blank).

25 (j) A person who knowingly fails to comply with the
26 provisions of this Section or knowingly fails to obey,

1 observe, or comply with any order of the Secretary ~~or any law~~
2 ~~enforcement agency~~ issued in accordance with this Section is
3 guilty of a Class B misdemeanor for the first violation and a
4 Class A misdemeanor for the second and subsequent violations.
5 ~~Each violation constitutes a separate and distinct offense and~~
6 ~~a separate count may be brought in the same indictment or~~
7 ~~information for each vehicle or each essential part of a~~
8 ~~vehicle for which a record was not kept as required by this~~
9 ~~Section.~~

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

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

23 (m) The Secretary shall adopt rules necessary for
24 implementation of this Section, which may include the
25 imposition of administrative fines.

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

1 (625 ILCS 5/5-402) (from Ch. 95 1/2, par. 5-402)

2 Sec. 5-402. Use of Department of Revenue Uniform Invoice
3 for vehicle. Every person licensed as a new vehicle dealer, as
4 a used vehicle dealer, or as a motor vehicle financing
5 affiliate shall issue a Uniform Invoice with respect to each
6 transaction wherein he disposes of a vehicle, except that
7 where, in the same transaction, a vehicle dealer transfers
8 more than one vehicle to another vehicle dealer for the
9 purpose of resale, such seller for resale may issue one
10 Uniform Invoice to the purchaser covering all the vehicles
11 involved in that transaction and may report the transfer of
12 all the vehicles involved in that transaction to the
13 Department on the same Uniform Invoice-transaction reporting
14 return form. ~~Every person licensed as a rebuilder shall~~
15 ~~likewise issue a Uniform Invoice with respect to each~~
16 ~~transaction wherein he disposes of a rebuilt or restored~~
17 ~~vehicle.~~ Such Uniform Invoice shall be the same document as
18 the transaction reporting return referred to in Section 3 of
19 the Retailers' Occupation Tax Act. Such Uniform Invoice shall
20 contain complete financial details of the transaction in such
21 form as shall be prescribed by the Department of Revenue. Such
22 Uniform Invoice shall include an affidavit by both the seller
23 and the buyer that any trade-in title has been properly
24 assigned from the buyer to the seller and that all information
25 on the Uniform Invoice-transaction reporting return is true

1 and accurate.

2 (Source: P.A. 91-415, eff. 1-1-00.)

3 (625 ILCS 5/5-402.1) (from Ch. 95 1/2, par. 5-402.1)

4 Sec. 5-402.1. Use of Secretary of State Uniform Invoice
5 for Essential Parts.

6 (a) Except for scrap processors, every person licensed or
7 required to be licensed under Section 5-101, 5-101.1, 5-102,
8 5-102.8, or 5-301 of this Code shall issue, in a form the
9 Secretary of State may by rule or regulation prescribe, a
10 Uniform Invoice, which may also act as a bill of sale, ~~made out~~
11 ~~in triplicate~~ with respect to each transaction in which he
12 disposes of an essential part other than quarter panels and
13 transmissions of vehicles of the first division. Such Invoice
14 shall be made out at the time of the disposition of the
15 essential part. If the licensee disposes of several essential
16 parts in the same transaction, the licensee may issue one
17 Uniform Invoice covering all essential parts disposed of in
18 that transaction.

19 (b) The following information shall be contained on the
20 Uniform Invoice:

21 (1) the business name, address and dealer license
22 number of the person disposing of the essential part;

23 (2) the name and address of the person acquiring the
24 essential part, and if that person is a dealer, the
25 Illinois or out-of-state dealer license number of that

1 dealer;

2 (3) the date of the disposition of the essential part;

3 (4) the year, make, model, ~~color~~ and description of
4 each essential part disposed of by the person;

5 (5) the manufacturer's vehicle identification number,
6 Secretary of State identification number or Illinois
7 Department of State Police identification number, for each
8 essential part disposed of by the person;

9 (6) (blank); and ~~the printed name and legible~~
10 ~~signature of the person or agent disposing of the~~
11 ~~essential part; and~~

12 (7) (blank). ~~if the person is a dealer the printed~~
13 ~~name and legible signature of the dealer or his agent or~~
14 ~~employee accepting delivery of the essential part.~~

15 (c) Except for scrap processors, and except as set forth
16 in subsection (d) of this Section, whenever a person licensed
17 or required to be licensed by Section 5-101, 5-101.1, 5-102,
18 or 5-301 accepts delivery of an essential part, other than
19 quarter panels and transmissions of vehicles of the first
20 division, that person shall, at the time of the acceptance or
21 delivery, comply with the following procedures:

22 (1) Before acquiring or accepting delivery of any
23 essential part, the licensee or an ~~his~~ authorized agent or
24 employee shall inspect the part to determine whether the
25 vehicle identification number, Secretary of State
26 identification number, Illinois Department of State Police

1 identification number, or identification plate or sticker
2 attached to or stamped on any part being acquired or
3 delivered has been removed, falsified, altered, defaced,
4 destroyed, or tampered with. If the licensee or ~~his~~ agent
5 or employee determines that the vehicle identification
6 number, Secretary of State identification number, Illinois
7 Department of State Police identification number,
8 identification plate or identification sticker containing
9 an identification number, or Federal Certificate label of
10 an essential part has been removed, falsified, altered,
11 defaced, destroyed or tampered with, the licensee or agent
12 shall promptly notify law enforcement authorities of the
13 finding ~~not accept or receive that part.~~

14 ~~If that part was physically acquired by or delivered~~
15 ~~to a licensee or his agent or employee while that~~
16 ~~licensee, agent or employee was outside this State, that~~
17 ~~licensee or agent or employee shall not bring that~~
18 ~~essential part into this State or cause it to be brought~~
19 ~~into this State.~~

20 (2) If the person disposing of or delivering the
21 essential part to the licensee is a licensed in-state or
22 out-of-state dealer, the licensee or an ~~his~~ agent or
23 employee, after inspecting the essential part as required
24 by paragraph (1) of this subsection (c), shall examine the
25 Uniform Invoice, or bill of sale, as the case may be, to
26 ensure that it contains all the information required to be

1 provided by persons disposing of essential parts as set
2 forth in subsection (b) of this Section. If the Uniform
3 Invoice or bill of sale does not contain all the
4 information required to be listed by subsection (b) of
5 this Section, the dealer disposing of or delivering such
6 part or an ~~his~~ agent or employee shall record such
7 additional information or other needed modifications on
8 the Uniform Invoice or bill of sale or, if needed, an
9 attachment thereto. The dealer or an ~~his~~ agent or employee
10 delivering the essential part shall initial all additions
11 or modifications to the Uniform Invoice or bill of sale
12 ~~and legibly print his name at the bottom of each document~~
13 ~~containing his initials.~~ If the transaction involves a
14 bill of sale rather than a Uniform Invoice, the licensee
15 or ~~his~~ agent or employee accepting delivery of or
16 acquiring the essential part shall affix the ~~his~~ printed
17 name and legible signature of the licensee or agent or
18 employee on the space on the bill of sale provided for a
19 ~~his~~ signature or, if no space is provided, on the back of
20 the bill of sale. If the dealer or ~~his~~ agent or employee
21 disposing of or delivering the essential part cannot or
22 does not provide all the information required by
23 subsection (b) of this Section, the licensee or ~~his~~ agent
24 or employee shall promptly notify law enforcement
25 authorities of the finding. ~~not accept or receive any~~
26 ~~essential part for which that required information is not~~

1 ~~provided. If such essential part for which the information~~
2 ~~required is not fully provided was physically acquired~~
3 ~~while the licensee or his agent or employee was outside~~
4 ~~this State, the licensee or his agent or employee shall~~
5 ~~not bring that essential part into this State or cause it~~
6 ~~to be brought into this State.~~

7 (3) If the person disposing of the essential part is
8 not a licensed dealer, the licensee or an ~~his~~ agent or
9 employee shall, after inspecting the essential part as
10 required by paragraph (1) of subsection (c) of this
11 Section verify the identity of the person disposing of the
12 essential part by examining 2 sources of identification,
13 one of which shall be either a driver's license or state
14 identification card. The licensee or ~~his~~ agent or employee
15 shall then prepare a Uniform Invoice listing all the
16 information required to be provided by subsection (b) of
17 this Section. In the space on the Uniform Invoice provided
18 for the dealer license number of the person disposing of
19 the part, the licensee or ~~his~~ agent or employee shall list
20 the numbers taken from the documents of identification
21 provided by the person disposing of the part. The person
22 disposing of the part shall affix the ~~his~~ printed name and
23 legible signature of the person disposing of the part on
24 the space on the Uniform Invoice provided for the person
25 disposing of the essential part and the licensee or ~~his~~
26 agent or employee acquiring the part shall affix the ~~his~~

1 printed name and legible signature of the person acquiring
2 the part on the space provided on the Uniform Invoice for
3 the person acquiring the essential part. If the person
4 disposing of the essential part cannot or does not provide
5 all the information required to be provided by this
6 paragraph, or does not present 2 satisfactory forms of
7 identification, the licensee or ~~his~~ agent or employee
8 shall not acquire that essential part and shall promptly
9 notify law enforcement authorities of the finding.

10 (d) If an essential part other than quarter panels and
11 transmissions of vehicles of the first division was delivered
12 by a licensed commercial delivery service delivering such part
13 on behalf of a licensed dealer, the person required to comply
14 with subsection (c) of this Section may conduct the inspection
15 of that part required by paragraph (1) of subsection (c) and
16 examination of the Uniform Invoice or bill of sale required by
17 paragraph (2) of subsection (c) of this Section immediately
18 after the acceptance of the part.

19 (1) If the inspection of the essential part pursuant
20 to paragraph (1) of subsection (c) reveals that the
21 vehicle identification number, Secretary of State
22 identification number, Illinois Department of State Police
23 identification number, identification plate or sticker
24 containing an identification number, or Federal
25 Certificate label of an essential part has been removed,
26 falsified, altered, defaced, destroyed or tampered with,

1 the licensee or an ~~his~~ agent shall immediately record such
2 fact on the Uniform Invoice or bill of sale, assign the
3 part an inventory or stock number, place such inventory or
4 stock number on both the essential part and the Uniform
5 Invoice or bill of sale, and record the date of the
6 inspection of the part on the Uniform Invoice or bill of
7 sale. The licensee shall, within 7 days of such
8 inspection, return such part to the dealer from whom it
9 was acquired and shall promptly notify law enforcement
10 authorities of the finding.

11 (2) If the examination of the Uniform Invoice or bill
12 of sale pursuant to paragraph (2) of subsection (c)
13 reveals that any of the information required to be listed
14 by subsection (b) of this Section is missing, the licensee
15 or person required to be licensed shall immediately assign
16 a stock or inventory number to such part, place such stock
17 or inventory number on both the essential part and the
18 Uniform Invoice or bill of sale, and record the date of
19 examination on the Uniform Invoice or bill of sale. The
20 licensee or person required to be licensed shall acquire
21 the information missing from the Uniform Invoice or bill
22 of sale within 7 days of the examination of such Uniform
23 Invoice or bill of sale. Such information may be received
24 by telephone conversation with the dealer from whom the
25 part was acquired. If the dealer provides the missing
26 information the licensee shall record such information on

1 the Uniform Invoice or bill of sale along with the name of
2 the person providing the information. If the dealer does
3 not provide the required information within the
4 aforementioned 7 day period, the licensee shall return the
5 part to that dealer and shall promptly notify law
6 enforcement authorities of the finding.

7 (e) Except for scrap processors, all persons licensed or
8 required to be licensed who acquire or dispose of essential
9 parts other than quarter panels and transmissions of vehicles
10 of the first division shall retain a copy of the Uniform
11 Invoice required to be made by subsections (a), (b) and (c) of
12 this Section for a period of 3 years.

13 (f) Except for scrap processors, any person licensed or
14 required to be licensed under Sections 5-101, 5-102 or 5-301
15 who knowingly fails to record on a Uniform Invoice any of the
16 information or entries required to be recorded by subsections
17 (a), (b) and (c) of this Section, or who knowingly places false
18 entries or other misleading information on such Uniform
19 Invoice, or who knowingly fails to retain for 3 years a copy of
20 a Uniform Invoice reflecting transactions required to be
21 recorded by subsections (a), (b) and (c) of this Section, or
22 who knowingly acquires or disposes of essential parts without
23 receiving, issuing, or executing a Uniform Invoice reflecting
24 that transaction as required by subsections (a), (b) and (c)
25 of this Section, ~~or who brings or causes to be brought into~~
26 ~~this State essential parts for which the information required~~

1 ~~to be recorded on a Uniform Invoice is not recorded as~~
2 ~~prohibited by subsection (c) of this Section,~~ or who knowingly
3 fails to comply with the provisions of this Section in any
4 other manner shall be guilty of a Class 2 felony. Each
5 violation shall constitute a separate and distinct offense and
6 a separate count may be brought in the same indictment or
7 information for each essential part for which a record was not
8 kept as required by this Section or for which the person failed
9 to comply with other provisions of this Section.

10 (g) The records required to be kept by this Section may be
11 examined by officers of the Secretary of State's Department of
12 Police ~~a person or persons~~ making a lawful inspection of the
13 licensee's premises pursuant to Section 5-403.

14 (h) The records required to be kept by this Section shall
15 be retained by the licensee at the ~~his~~ principal place of
16 business of the licensee for a period of 3 ~~7~~ years.

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

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