



Rep. Andrew S. Chesney

Filed: 5/12/2021

10200SB0574ham001

LRB102 15529 RAM 26421 a

1 AMENDMENT TO SENATE BILL 574

2 AMENDMENT NO. _____. Amend Senate Bill 574 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Vehicle Code is amended by adding
5 Article IX to Chapter 5 as follows:

6 (625 ILCS 5/Ch. 5 Art. IX heading new)

7 ARTICLE IX. MANUFACTURED HOME DEALERS

8 (625 ILCS 5/5-901 new)

9 Sec. 5-901. Regulation of manufactured home dealers.

10 (a) As used in this Article:

11 "Established place of business" means the place owned or
12 leased and occupied by any person duly licensed or required to
13 be licensed as a manufactured home dealer for the purpose of
14 engaging in selling, buying, bartering, displaying,
15 exchanging, or dealing in, on consignment or otherwise,

1 manufactured homes and for such other ancillary purposes as
2 may be permitted by the Secretary by rule.

3 "Manufactured home" means a factory-assembled structure
4 built on a permanent chassis, transportable in one or more
5 sections in the travel mode, incapable of self-propulsion,
6 bears a label indicating the manufacturer's compliance with
7 the United States Department of Housing and Urban Development
8 standards, as applicable, and is designed for year-round
9 occupancy as a single-family residence when connected to
10 approved water, sewer, and electrical utilities.

11 "Manufactured home dealer" means: (1) an individual or
12 entity that engages in the business of acquiring or disposing
13 of new or used manufactured homes; (2) an individual or entity
14 who advertises or otherwise holds the individual or the entity
15 out as being engaged in the business of acquiring or selling
16 new or used manufactured homes; or (3) an individual or entity
17 who buys or sells more than 2 new or used manufactured homes
18 within a 12-month period.

19 (b) No person shall engage in this State in the business of
20 selling or dealing in, on consignment or otherwise,
21 manufactured homes of any make, or act as an intermediary,
22 agent, or broker for any manufactured home purchaser, other
23 than as a salesperson, or to represent or advertise that he or
24 she is so engaged, or intends to so engage, in the business,
25 unless licensed to do so by the Secretary of State under this
26 Section.

1 (c) An application for a manufactured home dealer's
2 license shall be filed with the Secretary of State Vehicle
3 Services Department and duly verified by oath, on such form as
4 the Secretary of State may prescribe, and shall contain all of
5 the following:

6 (1) The name and type of business organization of the
7 applicant, and his or her established place of business in
8 this State.

9 (2) If the applicant is a corporation, a list of its
10 officers, directors, and shareholders having a 10% or
11 greater ownership interest in the corporation. If the
12 applicant is a sole proprietorship, a partnership, a
13 limited liability company, an unincorporated association,
14 a trust, or any similar form of business organization, the
15 name and residence address of the proprietor, or the name
16 and residence address of each partner, member, officer,
17 director, trustee, or manager.

18 (3) A statement that the applicant has been approved
19 for registration under the Retailers' Occupation Tax Act
20 by the Department of Revenue, except that this requirement
21 does not apply to a manufactured home dealer who is
22 already licensed with the Secretary of State, and who is
23 only applying for a renewal of his or her license. As
24 evidence of this fact, the application shall be
25 accompanied by a certification from the Department of
26 Revenue showing that the Department has approved the

1 applicant for registration under the Retailers' Occupation
2 Tax Act.

3 (4) An application for a manufactured home dealer's
4 license shall be accompanied by a \$1,000 license fee for
5 the applicant's established place of business. If the
6 application is made after June 15 of any year, the license
7 fee shall be \$500 for the applicant's established place of
8 business. License fees shall be returnable only if the
9 application is denied by the Secretary of State.

10 Of the money received by the Secretary of State as
11 license fees under this paragraph (4), 95% shall be
12 deposited into the General Revenue Fund and 5% into the
13 Motor Vehicle License Plate Fund.

14 (5) A statement that no officer, director, shareholder
15 having a 10% or greater ownership interest, proprietor,
16 partner, member, officer, director, trustee, manager, or
17 other principal in the business of the applicant has
18 committed in the past 3 years any violation, as determined
19 in any civil, criminal, or administrative hearing
20 proceeding, of any one of the following Acts:

21 (A) the Anti-Theft Laws of this Code;

22 (B) the Certificate of Title Laws of this Code;

23 (C) the Offenses against Registration and
24 Certificates of Title Laws of this Code;

25 (D) the Dealers, Transporters, Wreckers, and
26 Rebuilders Laws of this Code;

1 (E) Section 21-2 of the Criminal Code of 2012,
2 criminal trespass to vehicles;

3 (F) the Retailers' Occupation Tax Act;

4 (G) the Consumer Installment Loan Act;

5 (H) the Retail Installment Sales Act;

6 (I) the Interest Act;

7 (J) the Illinois Wage Assignment Act;

8 (K) Part 8 of Article XII of the Code of Civil
9 Procedure; or

10 (L) the Consumer Fraud and Deceptive Business
11 Practices Act.

12 (6) A bond or certificate of deposit in the amount of
13 \$150,000 for each license holder applicant intending to
14 act as a manufactured home dealer under this Section. The
15 bond shall be for the term of the license for which
16 application is made and shall expire not sooner than
17 December 31st of the year for which the license was
18 issued. The bond shall run to the People of the State of
19 Illinois and to customers asserting financial claims
20 against the dealer, with surety by a bonding or insurance
21 company authorized to do business in this State. It shall
22 be conditioned upon the proper transmittal of all title
23 and registration fees and taxes (excluding taxes under the
24 Retailers' Occupation Tax Act) accepted by the applicant
25 as a manufactured home dealer, and the execution of all of
26 the dealer's obligations to the customer, including

1 financial duties related to the acceptance and
2 disbursement of any funds paid to the dealer by the
3 customer, or the failure to convey possession or ownership
4 documents of a manufactured home.

5 (7) Dealers in business for over 10 years may
6 substitute a certificate of insurance in lieu of the bond
7 or certificate of deposit upon renewing their license.

8 (8) Any other information concerning the business of
9 the applicant as the Secretary of State may by rule
10 prescribe.

11 (d) Any change that renders no longer accurate any
12 information contained in any application for a license under
13 this Section shall be amended within 30 days after the
14 occurrence of the change on a form the Secretary of State may
15 prescribe, by rule, accompanied by an amendatory fee of \$25.

16 (e) The Secretary of State shall, within a reasonable time
17 after receipt, examine an application submitted under this
18 Section, and unless the Secretary makes a determination that
19 the application submitted does not conform with the
20 requirements of this Section or that grounds exist for a
21 denial of the application under subsection (f), grant the
22 applicant an initial manufactured home dealer's license in
23 writing for the established place of business of the applicant
24 in a form the Secretary may prescribe by rule, which shall
25 include the following:

26 (1) the name of the person or entity licensed;

1 (2) if a corporation, the name and address of its
2 officers; if a sole proprietorship, a partnership, an
3 unincorporated association, or any similar form of
4 business organization, the name and address of the
5 proprietor, or the name and address of each partner,
6 member, officer, director, trustee or manager; or if a
7 limited liability company, the name and address of the
8 general partner or partners, or managing member or
9 members; and

10 (3) the established place of business of the licensee.

11 (f) A license issued under this Section may be denied,
12 revoked, or suspended if the Secretary of State finds that the
13 applicant, or the officer, director, shareholder having a 10%
14 or greater ownership interest in the corporation, owner,
15 partner, trustee, manager, employee or the licensee has:

16 (1) violated this Section;

17 (2) made any material misrepresentation to the
18 Secretary of State in connection with an application for a
19 license, title, or registration;

20 (3) committed a fraudulent act in connection with
21 selling, bartering, exchanging, offering for sale, or
22 otherwise dealing in manufactured homes;

23 (4) not maintained an established place of business as
24 defined in this Section;

25 (5) failed to file or produce to the Secretary of
26 State any application, report, document, or other

1 pertinent books, records, documents, letters, contracts
2 required to be filed or produced under this Section or any
3 rule adopted by the Secretary of State pursuant to this
4 Section;

5 (6) failed to pay any fees or taxes due under this
6 Code, or has failed to transmit any fees or taxes received
7 by him or her for transmittal by him or her to the
8 Secretary of State or the State of Illinois;

9 (7) failed to transfer title to a manufactured home
10 when legally required to do so; or

11 (8) violated any of the following:

12 (A) the Anti-Theft Laws of this Code;

13 (B) the Certificate of Title Laws of this Code;

14 (C) the Offenses against Registration and
15 Certificates of Title Laws of this Code;

16 (D) the Dealers, Transporters, Wreckers, and
17 Rebuilders Laws of this Code;

18 (E) Section 21-2 of the Criminal Code of 2012,
19 criminal trespass to vehicles;

20 (F) the Retailers' Occupation Tax Act;

21 (G) the Consumer Installment Loan Act;

22 (H) the Retail Installment Sales Act;

23 (I) the Interest Act;

24 (J) the Illinois Wage Assignment Act;

25 (K) Part 8 of Article XII of the Code of Civil
26 Procedure; or

1 (L) the Consumer Fraud and Deceptive Business
2 Practices Act.

3 (g) In addition to other grounds specified in this
4 Section, the Secretary of State, on complaint of the
5 Department of Revenue, shall refuse the issuance or renewal of
6 a license, or suspend or revoke such a license, for any of the
7 following violations of the Retailers' Occupation Tax Act, the
8 tax imposed on corporations under subsection (b) of Section
9 201 of the Illinois Income Tax Act, the Personal Property Tax
10 Replacement Income Tax imposed under subsections (c) and (d)
11 of Section 201 of the Illinois Income Tax Act, or the tax
12 imposed under Section 704A of the Illinois Income Tax Act:

13 (1) failure to make a tax return;

14 (2) the filing of a fraudulent return;

15 (3) failure to pay all or part of any tax or penalty
16 finally determined to be due;

17 (4) failure to comply with the bonding requirements of
18 the Retailers' Occupation Tax Act.

19 (h) A license issued under this Section may be canceled by
20 the Secretary of State prior to its expiration in any of the
21 following situations:

22 (1) if a license is voluntarily surrendered by the
23 licensed person;

24 (2) if the business enterprise is a sole
25 proprietorship and the sole proprietor dies or is
26 imprisoned for any period exceeding 30 days; or

1 (3) if the license was issued to the wrong person or
2 corporation or contains an error on its face.

3 If any person whose license has been canceled wishes to
4 apply for another license, whether during the same license
5 year or any other year, that person shall be treated as a new
6 applicant and the cancellation of the person's prior license
7 shall not, in and of itself, be a bar to the issuance of a new
8 license.

9 (i) A license issued under this Section may be canceled
10 without a hearing if the Secretary of State is notified that
11 the applicant, or any officer, director, shareholder having a
12 10% or greater ownership interest, owner, partner, trustee,
13 manager, employee, or member of the applicant or the licensee
14 has been convicted of any forcible felony or any felony
15 involving the selling, bartering, exchanging, offering for
16 sale, or otherwise dealing in ownership documents relating to
17 any of the above actions.

18 (j) The appropriate instrument evidencing the license or a
19 certified copy of the instrument, provided by the Secretary of
20 State, shall be kept posted conspicuously in the established
21 place of business of the licensee.

22 (k) All records related to the purchase, sale, or
23 acceptance for sale on consignment of any manufactured home
24 shall be maintained at the licensee's established place of
25 business. These records shall be retained for a period of not
26 less than 7 years, and shall be made available for inspection

1 upon the request of a Secretary of State auditor or an
2 investigator with the Secretary of State Department of Police.

3 (l) Except as provided in subsection (i), all licenses
4 granted under this Section shall expire by operation of law on
5 December 31st of the calendar year for which the licenses were
6 granted, unless sooner revoked or canceled under subsection
7 (f).

8 (m) Each person licensed as a manufactured home dealer is
9 required to furnish each purchaser of a manufactured home:

10 (1) in the case of a new manufactured home, a
11 manufacturer's statement of origin, and in the case of a
12 previously owned manufactured home, a certificate of
13 title, in either case properly assigned to the purchaser;

14 (2) a statement verified under oath that all
15 identifying numbers on the vehicle match the identifying
16 numbers on the certificate of title or manufacturer's
17 statement of origin;

18 (3) a bill of sale properly executed on behalf of the
19 purchaser; and

20 (4) for a new manufactured home, a warranty, and in
21 the case of a manufactured home for which the warranty has
22 been reinstated, a copy of the warranty; if no warranty is
23 provided, a disclosure or statement that the manufactured
24 home is being sold "AS IS".

25 (n) This Section does not apply to a seller who privately
26 owns his or her manufactured home as his or her main residence

1 and is selling the manufactured home to another individual or
2 to a licensee so long as that individual does not sell more
3 than 2 manufactured homes in one 12-month period.

4 (o) This Section does not apply to any person licensed
5 under the Real Estate License Act of 2000.

6 (p) The Secretary of State may adopt any rules necessary
7 to implement this Section.

8 (q) Any individual or entity licensed as a manufactured
9 home dealer or a community-based manufactured home dealer on
10 the effective date of this Section shall be entitled to act as
11 a manufactured home dealer under this Section for the duration
12 of any license in effect on the effective date of this
13 amendatory Act of the 102nd General Assembly, and shall be
14 eligible to be issued a manufactured home dealer's license
15 under this Section upon the expiration of any such license.

16 (625 ILCS 5/5-101.2 rep.)

17 Section 10. The Illinois Vehicle Code is amended by
18 repealing Section 5-101.2.

19 Section 99. Effective date. This Act takes effect July 1,
20 2022.".