



Sen. Kimberly A. Lightford

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10200SB1102sam001

LRB102 04926 AMQ 36252 a

1 AMENDMENT TO SENATE BILL 1102

2 AMENDMENT NO. _____. Amend Senate Bill 1102 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Regulatory Sunset Act is amended by
5 changing Section 4.37 and by adding Section 4.42 as follows:

6 (5 ILCS 80/4.37)

7 (Text of Section before amendment by P.A. 102-683)

8 Sec. 4.37. Acts and Articles repealed on January 1, 2027.

9 The following are repealed on January 1, 2027:

10 The Clinical Psychologist Licensing Act.

11 The Illinois Optometric Practice Act of 1987.

12 Articles II, III, IV, V, VI, VIIA, VIIB, VIIC, XVII, XXXI,

13 and XXXI 1/4, ~~and XXXI 3/4~~ of the Illinois Insurance Code.

14 The Boiler and Pressure Vessel Repairer Regulation Act.

15 The Marriage and Family Therapy Licensing Act.

16 The Boxing and Full-contact Martial Arts Act.

1 The Cemetery Oversight Act.

2 The Community Association Manager Licensing and
3 Disciplinary Act.

4 The Detection of Deception Examiners Act.

5 The Home Inspector License Act.

6 The Massage Licensing Act.

7 The Medical Practice Act of 1987.

8 The Petroleum Equipment Contractors Licensing Act.

9 The Radiation Protection Act of 1990.

10 The Real Estate Appraiser Licensing Act of 2002.

11 The Registered Interior Designers Act.

12 The Landscape Architecture Registration Act.

13 The Water Well and Pump Installation Contractor's License
14 Act.

15 ~~The Collateral Recovery Act.~~

16 (Source: P.A. 102-20, eff. 6-25-21; 102-284, eff. 8-6-21;
17 102-437, eff. 8-20-21; 102-656, eff. 8-27-21; revised
18 10-13-21.)

19 (Text of Section after amendment by P.A. 102-683)

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25 and XXXI 1/4, ~~and XXXI 3/4~~ of the Illinois Insurance Code.

1 The Boiler and Pressure Vessel Repairer Regulation Act.
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5 The Community Association Manager Licensing and
6 Disciplinary Act.
7 The Detection of Deception Examiners Act.
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11 The Petroleum Equipment Contractors Licensing Act.
12 The Radiation Protection Act of 1990.
13 The Real Estate Appraiser Licensing Act of 2002.
14 The Registered Interior Designers Act.
15 The Landscape Architecture Registration Act.
16 The Water Well and Pump Installation Contractor's License
17 Act.
18 ~~The Collateral Recovery Act.~~
19 The Licensed Certified Professional Midwife Practice Act.
20 (Source: P.A. 102-20, eff. 6-25-21; 102-284, eff. 8-6-21;
21 102-437, eff. 8-20-21; 102-656, eff. 8-27-21; 102-683, eff.
22 10-1-22; revised 1-5-22.)

23 (5 ILCS 80/4.42 new)

24 Sec. 4.42. Acts repealed on January 1, 2032. The following
25 Acts are repealed on January 1, 2032:

1 The Collateral Recovery Act.

2 Section 10. The Collateral Recovery Act is amended by
3 changing Sections 5, 10, and 110 as follows:

4 (225 ILCS 422/5)

5 (Section scheduled to be repealed on January 1, 2027)

6 Sec. 5. Findings; purpose.

7 (a) The General Assembly finds: (i) due to advancements in
8 technology, personal information associated with consumers is
9 increasingly collected and stored on motor vehicles that
10 function as collateral in secured loans; (ii) the loss or
11 breach of such personal information can cause consumers
12 financial and personal harm and loss, including, but not
13 limited to, harm and loss associated with identity theft and
14 loss of privacy; (iii) when motor vehicles are repossessed, it
15 is critical that consumers be protected from such harm and
16 loss; (iv) personal property that is inside motor vehicles
17 when they are repossessed often includes hazardous materials
18 which must be properly disposed of for the sake of public
19 safety and environmental protection; and (v) ~~that~~ collateral
20 recovery practices affect public health, safety, and welfare.
21 and

22 (b) The General Assembly declares that the purpose of this
23 Act is to: (i) regulate individuals and entities engaged in
24 the business of collateral recovery for the protection of the

1 public; (ii) ensure that repossession agencies protect motor
2 vehicle collateral consumers from potential harm and loss
3 associated with personal information that is collected and
4 stored on motor vehicles; and (iii) ensure the proper
5 recycling and disposal of hazardous materials that are inside
6 repossessed motor vehicles.

7 (Source: P.A. 97-576, eff. 7-1-12.)

8 (225 ILCS 422/10)

9 (Section scheduled to be repealed on January 1, 2027)

10 Sec. 10. Definitions. In this Act:

11 "Assignment" means a written authorization by a legal
12 owner, lien holder, lessor, lessee, or licensed repossession
13 agency authorized by a legal owner, lien holder, lessor or
14 lessee to locate or repossess, involuntarily or voluntarily,
15 any collateral, including, but not limited to, collateral
16 registered under the Illinois Vehicle Code that is subject to
17 a security agreement that contains a repossession clause or is
18 the subject of a rental or lease agreement.

19 "Assignment" also means a written authorization by an
20 employer to recover any collateral entrusted to an employee or
21 former employee if the possessor is wrongfully in the
22 possession of the collateral. A photocopy, facsimile copy, or
23 electronic copy of an assignment shall have the same force and
24 effect as an original written assignment.

25 "Automobile rental company" means a person or entity whose

1 primary business is renting motor vehicles to the public for
2 30 days or less.

3 "Branch office" means each additional office and secured
4 storage facility location of a repossession agency (i) located
5 in and conducting business within the State of Illinois and
6 (ii) operating under the same name as the repossession agency
7 where business is actively conducted or is engaged in the
8 business authorized by the licensure. Each branch office must
9 be individually licensed.

10 "Collateral" means any vehicle, boat, recreational
11 vehicle, motor home, motorcycle, or other property that is
12 subject to a security, lease, or rental agreement.

13 "Commission" means the Illinois Commerce Commission.

14 "Debtor" means any person or entity obligated under a
15 lease, rental, or security agreement.

16 "Financial institution" means a bank, a licensee under the
17 Consumer Installment Loan Act, savings bank, savings and loan
18 association, or credit union organized and operating under the
19 laws of this or any other state or of the United States, and
20 any subsidiary or affiliate thereof.

21 "Hazardous material" means:

22 (1) material defined as (i) a hazardous material by
23 the United States Department of Transportation under Title
24 49 of the Code of Federal Regulations or (ii) hazardous
25 waste by the federal Environmental Protection Agency
26 through administrative rule; or

1 (2) batteries, motor fuel, motor oil, antifreeze,
2 prescribed or not-prescribed drugs, medical waste,
3 cleansers, insecticides, herbicides, ammunition, paint,
4 lighter fluid, light bulbs, or any other material or
5 personal effect that a licensed protection agency
6 reasonably and in good faith concludes would be hazardous
7 or unsafe if disposed of without safeguards.

8 "Legal owner" means a person holding (i) a security
9 interest in any collateral that is subject to a security
10 agreement, (ii) a lien against any collateral, or (iii) an
11 interest in any collateral that is subject to a lease or rental
12 agreement.

13 "Licensure" means the approval of the required criteria
14 that has been submitted for review in accordance with the
15 provisions of this Act.

16 "Licensed recovery manager" means a person who possesses a
17 valid license in accordance with the provisions of this Act
18 and is in control or management of an Illinois repossession
19 agency.

20 "Personal effects" means any property contained within or
21 on repossessed collateral, or property that is not permanently
22 affixed to the collateral, that is not the property of the
23 legal owner, including hazardous materials.

24 "Personal information" means information that is
25 associated with an owner, driver, or passenger of the
26 collateral and that is collected and stored by electronic

1 means or systems in or by the collateral during the course of
2 its use, including but not limited to: (i) biometric
3 information, contacts, addresses, telephone numbers, garage
4 door codes, map data, and digital subscriptions; (ii)
5 information that is deemed "sensitive personal information" by
6 the Federal Trade Commission, "personally identifiable
7 information" under federal law or the Personal Information
8 Protection Act, or "individually identifiable health
9 information" under the federal Health Insurance Portability
10 and Accountability Act; and (iii) information that a licensed
11 repossession agency reasonably believes would be deemed
12 confidential or private by the person who is associated with
13 the information.

14 "Recovery permit" means a permit issued by the Commission
15 to a repossession agency employee who has met all the
16 requirements under this Act.

17 "Recovery ticket" means a serialized record obtained from
18 the Commission for any repossessed vehicle or collateral
19 evidencing that any person, business, financial institution,
20 automotive dealership, or repossession agency who shows a
21 recovery ticket has paid the recovery ticket fee to the
22 Commission.

23 "Remote storage location" means a secured storage facility
24 of a licensed repossession agency designated for the storage
25 of collateral that is a secure building or has a perimeter that
26 is secured with a fencing construction that makes the area not

1 accessible to the public. A remote storage location shall not
2 transact business with the public and shall provide evidence
3 of applicable insurance to the Commission that specifies the
4 licensed repossession agency as the primary policy holder. A
5 remote storage location shall be located in a commercially
6 zoned area physically located in Illinois.

7 "Repossession agency" means any person or entity
8 conducting business within the State of Illinois, that, for
9 any type of consideration, engages in the business of, accepts
10 employment to furnish, or agrees to provide or provides
11 property locating services, property recovery, recovered
12 property transportation, recovered property storage, or all
13 services relevant to any of the following:

14 (1) The location, disposition, or recovery of property
15 as authorized by the self-help provisions of the Uniform
16 Commercial Code.

17 (2) The location, disposition, or recovery of lost or
18 stolen property.

19 (3) Securing evidence concerning repossession and
20 recovery to be used before any court, board, office, or
21 investigating committee.

22 (4) Inventory of property contained in or on the
23 collateral or recovered property.

24 (5) The possession of collateral.

25 (6) The prevention of the misappropriation or
26 concealment of chattel, vehicles, goods, objects,

1 documents, or papers.

2 "Repossession agency" does not include any of the
3 following:

4 (1) An attorney at law who is performing his or her
5 duties as an attorney at law.

6 (2) The legal owner of collateral that is subject to a
7 security agreement.

8 (3) An officer or employee of the United States of
9 America or of this State or a political subdivision of
10 this State while the officer or employee is engaged in the
11 performance of his or her official duties.

12 (4) A qualified license or recovery permit holder when
13 performing services for, or on behalf of, a licensed
14 repossession agency.

15 (5) A collection agency licensed under the Collection
16 Agency Act when its activities are limited to assisting an
17 owner in the recovery of property that is not collateral,
18 as defined in this Act.

19 "Repossession agency employee" means any person or
20 self-employed independent contractor who is hired by a
21 repossession agency.

22 "Salvage auction" means a person or entity whose primary
23 business is the sale of motor vehicles for which insurance
24 companies have made payment of damages on total loss claims.

25 "Secured storage facility" means an area located on the
26 same premises as a repossession agency office or branch office

1 that is designated for the storage of collateral and is a
2 secure building or has a perimeter that is secured with a
3 fencing construction that makes the area not accessible to the
4 public. Each repossession agency office or branch office must
5 maintain a secured storage facility.

6 "Security agreement" means an obligation, pledge,
7 mortgage, chattel mortgage, lease agreement, rental agreement,
8 deposit, or lien, given by a debtor as security for payment or
9 performance of his or her debt by furnishing the creditor with
10 a recourse to be used in case of failure in the principal
11 obligation. "Security agreement" includes a bailment where an
12 employer-employee relationship exists or existed between the
13 bailor and the bailee.

14 (Source: P.A. 97-576, eff. 7-1-12; 97-708, eff. 7-1-12.)

15 (225 ILCS 422/110)

16 (Section scheduled to be repealed on January 1, 2027)

17 Sec. 110. Repossession of vehicles.

18 (a) With regard to collateral subject to a security
19 agreement, repossession occurs when the licensed repossession
20 agency employee gains entry into the collateral, the
21 collateral becomes connected to a tow vehicle, or the licensed
22 repossession agency employee has physical control, custody, or
23 possession of the collateral.

24 (b) The licensed repossession agency shall confirm with
25 the legal owner of a recovered vehicle whether the legal owner

1 holds a security interest in the personal effects or other
2 property contained in or on the recovered vehicle.

3 (c) If personal effects or other property not covered by a
4 security agreement are contained in or on a recovered vehicle
5 at the time it is recovered, then the personal effects and
6 other property not covered by a security agreement must be
7 completely and accurately inventoried, and a record of the
8 inventory shall be maintained on file with the licensed
9 repossession agency for a period of 2 years following the date
10 of repossession. Except for hazardous materials, the ~~The~~
11 licensed repossession agency shall hold all personal effects
12 and other property not covered by a security agreement until
13 the licensed repossession agency either returns the personal
14 effects and other property to the debtor or disposes of the
15 personal effects and other property in accordance with this
16 Section. The licensed repossession agency shall recycle or
17 dispose of any personal effect that is a hazardous material in
18 the manner required by State or federal law. In any instance in
19 which a licensed repossessing agency certifies that a
20 repossessed vehicle contains one or more hazardous material,
21 the legal owner shall pay the licensed repossessing agency a
22 disposal or recycling surcharge fee plus such additional fees
23 as are charged pursuant to federal, State, or local law,
24 ordinance, regulation, or rule for the disposal of the
25 relevant hazardous material or materials. The first surcharge
26 fee shall be \$50. On January 15, 2023 and each year thereafter,

1 the Commission shall adjust and publish a new surcharge fee,
2 calculated according to the previous year's Consumer Price
3 Index for All Urban Consumers, as published by the Bureau of
4 Labor Statistics of the United States Department of Labor.

5 (d) Within 5 working days following the date of
6 repossession, the licensed repossession agency shall give
7 written notification to the debtor of the whereabouts of
8 personal effects or other property inventoried. At least 45
9 days prior to disposing of such personal effects or other
10 property, the licensed repossession agency shall, by United
11 States Postal Service certified mail, notify the debtor of the
12 intent to dispose of the property. Should the debtor, or his or
13 her lawful designee, appear to retrieve the personal property
14 prior to the date on which the licensed repossession agency is
15 allowed to dispose of the property, the licensed repossession
16 agency shall surrender the personal property to that
17 individual upon payment of any reasonably incurred expenses
18 for inventory and storage.

19 (e) If personal property is not claimed within 45 days of
20 the notice of intent to dispose, then the licensed
21 repossession agency may dispose of the personal property at
22 its discretion, except that illegal items or contraband shall
23 be surrendered to a law enforcement agency, and the licensed
24 repossession agency shall retain a receipt or other proof of
25 surrender as part of the inventory and disposal records it
26 maintains. The inventory of the personal property and the

1 records regarding any disposal of personal property shall be
2 maintained for a period of 2 years in the permanent records of
3 the licensed repossession agency and shall be made available
4 upon request to the Commission.

5 (f) If a licensed repossession agency has cause to believe
6 that a vehicle that serves as collateral collects or stores
7 personal information, then, as soon as practicable upon
8 repossession of the vehicle and prior to the release of the
9 vehicle from the possession of the licensed repossession
10 agency, the licensed repossession agency shall clear, erase,
11 delete, or otherwise eliminate the personal information
12 collected or stored in or by the vehicle, or reasonably or in
13 good faith attempt to do so, by utilizing a standardized
14 electronic solution that has been approved by the American
15 Recovery Association or by the Commission through
16 administrative rule. If a licensed repossession agency
17 fulfills the requirements of this subsection, it shall not be
18 liable to any party or the Commission relative to any claim,
19 complaint, or action regarding or alleging loss or breach of
20 personal information associated with the relevant repossessed
21 vehicle.

22 (Source: P.A. 97-576, eff. 7-1-12.)

23 Section 95. No acceleration or delay. Where this Act makes
24 changes in a statute that is represented in this Act by text
25 that is not yet or no longer in effect (for example, a Section

1 represented by multiple versions), the use of that text does
2 not accelerate or delay the taking effect of (i) the changes
3 made by this Act or (ii) provisions derived from any other
4 Public Act.".