

1 AN ACT relation to vehicles.

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 3-205 as follows:

6 (625 ILCS 5/3-205) (from Ch. 95 1/2, par. 3-205)

7 Sec. 3-205. Release of security interest.

8 (a) Within 15 days after receiving payment to satisfy

9 ~~Upon the satisfaction of~~ a security interest in a vehicle for
10 which the certificate of title is in the possession of the
11 lienholder, he shall ~~within ten (10) days after demand and,~~
12 ~~in any event, within thirty (30) days,~~ execute a release of
13 his security interest, and mail or deliver the certificate
14 and release to the next lienholder named therein, or, if
15 none, to the owner or any person who delivers to the
16 lienholder an authorization from the owner to receive the
17 certificate. If the payment is in the form of cash, a
18 cashier's check, or a money order, these requirements must be
19 satisfied within 5 days of receiving the payment. If the
20 owner desires a new certificate reflecting no lien, the
21 certificate and release from the lienholder may be submitted
22 to the Secretary of State, along with the prescribed
23 application and required fee, for issuance of that new
24 certificate.

25 (b) Within 15 days after receiving payment to satisfy

26 ~~Upon the satisfaction of~~ a security interest in a vehicle for
27 which the certificate of title is in the possession of a
28 prior lienholder, the lienholder whose security interest is
29 satisfied shall ~~within ten (10) days after demand and, in any~~
30 ~~event, within thirty (30) days~~ execute a release and deliver
31 the release to the owner or any person who delivers to the

1 lienholder an authorization from the owner to receive it. If
2 the payment is in the form of cash, a cashier's check, or a
3 money order, these requirements must be satisfied within 5
4 days of receiving the payment. The lienholder in possession
5 of the certificate of title may either deliver the
6 certificate to the owner, or the person authorized by him,
7 for delivery to the Secretary of State, or, upon receipt of
8 the release, may mail or may deliver the certificate and
9 release, along with prescribed application and require fee,
10 to the Secretary of State, who shall issue a new certificate.

11 (c) Any person who knowingly fails to execute a release
12 of his or her security interest or who knowingly fails to
13 mail or deliver the certificate and release within the time
14 limit provided in subsection (a) or (b) is guilty of a Class
15 B misdemeanor for a first violation and shall be fined \$250
16 for each violation. A second or subsequent violation of this
17 Section is a Class A misdemeanor.

18 (Source: P.A. 81-557.)