

AN ACT concerning transportation.

**Be it enacted by the People of the State of Illinois,  
represented in the General Assembly:**

Section 5. The Illinois Vehicle Code is amended by changing Sections 1-154.7, 5-301, 5-302, and 5-803 as follows:

(625 ILCS 5/1-154.7)

Sec. 1-154.7. Out-of-state salvage vehicle buyer. A person who is licensed in another state or jurisdiction and acquires salvage or junk vehicles for the primary purpose of taking them out of this State ~~state~~.

(Source: P.A. 95-783, eff. 1-1-09.)

(625 ILCS 5/5-301) (from Ch. 95 1/2, par. 5-301)

Sec. 5-301. Automotive parts recyclers, scrap processors, repairers and rebuilders must be licensed.

(a) No person in this State shall, except as an incident to the servicing of vehicles, carry on or conduct the business of an automotive parts recycler, a scrap processor, a repairer, or a rebuilder, unless licensed to do so in writing by the Secretary of State under this Section. No person shall rebuild a salvage vehicle unless such person is licensed as a rebuilder by the Secretary of State under this Section. No person shall engage in the business of acquiring 5 or more previously owned

vehicles in one calendar year for the primary purpose of disposing of those vehicles in the manner described in the definition of a "scrap processor" in this Code unless the person is licensed as an automotive parts recycler by the Secretary of State under this Section. No person shall engage in the act of dismantling, crushing, or altering a vehicle into another form using machinery or equipment unless licensed to do so and only from the fixed location identified on the license issued by the Secretary. Each license shall be applied for and issued separately, except that a license issued to a new vehicle dealer under Section 5-101 of this Code shall also be deemed to be a repairer license.

(b) Any application filed with the Secretary of State, shall be duly verified by oath, in such form as the Secretary of State may by rule or regulation prescribe and shall contain:

1. The name and type of business organization of the applicant and his principal or additional places of business, if any, in this State.

2. The kind or kinds of business enumerated in subsection (a) of this Section to be conducted at each location.

3. If the applicant is a corporation, a list of its officers, directors, and shareholders having a ten percent or greater ownership interest in the corporation, setting forth the residence address of each; if the applicant is a sole proprietorship, a partnership, an unincorporated

association, a trust, or any similar form of business organization, the names and residence address of the proprietor or of each partner, member, officer, director, trustee or manager.

4. A statement that the applicant's officers, directors, shareholders having a ten percent or greater ownership interest therein, proprietor, partner, member, officer, director, trustee, manager, or other principals in the business have not committed in the past three years any one violation as determined in any civil or criminal or administrative proceedings of any one of the following Acts:

(a) the Anti-Theft Laws of the Illinois Vehicle Code;

(b) the "Certificate of Title Laws" of the Illinois Vehicle Code;

(c) the "Offenses against Registration and Certificates of Title Laws" of the Illinois Vehicle Code;

(d) the "Dealers, Transporters, Wreckers and Rebuilders Laws" of the Illinois Vehicle Code;

(e) Section 21-2 of the Criminal Code of 1961 or the Criminal Code of 2012, Criminal Trespass to Vehicles; or

(f) the Retailers Occupation Tax Act.

5. A statement that the applicant's officers,

directors, shareholders having a ten percent or greater ownership interest therein, proprietor, partner, member, officer, director, trustee, manager or other principals in the business have not committed in any calendar year 3 or more violations, as determined in any civil or criminal or administrative proceedings, of any one or more of the following Acts:

- (a) the Consumer Finance Act;
- (b) the Consumer Installment Loan Act;
- (c) the Retail Installment Sales Act;
- (d) the Motor Vehicle Retail Installment Sales Act;
- (e) the Interest Act;
- (f) the Illinois Wage Assignment Act;
- (g) Part 8 of Article XII of the Code of Civil Procedure; or
- (h) the Consumer Fraud Act.

6. An application for a license shall be accompanied by the following fees: \$50 for applicant's established place of business; \$25 for each additional place of business, if any, to which the application pertains; provided, however, that if such an application is made after June 15 of any year, the license fee shall be \$25 for applicant's established place of business plus \$12.50 for each additional place of business, if any, to which the application pertains. License fees shall be returnable

only in the event that such application shall be denied by the Secretary of State.

7. A statement that the applicant understands Chapter 1 through Chapter 5 of this Code.

8. A statement that the applicant shall comply with subsection (e) of this Section.

9. A statement indicating if the applicant, including any of the applicant's affiliates or predecessor corporations, has been subject to the revocation or nonrenewal of a business license by a municipality under Section 5-501.5 of this Code.

10. The applicant's National Motor Vehicle Title Information System number and a statement of compliance if applicable.

(c) Any change which renders no longer accurate any information contained in any application for a license filed with the Secretary of State shall be amended within 30 days after the occurrence of such change on such form as the Secretary of State may prescribe by rule or regulation, accompanied by an amendatory fee of \$2.

(d) Anything in this Chapter to the contrary, notwithstanding, no person shall be licensed under this Section unless such person shall maintain an established place of business as defined in this Chapter.

(e) The Secretary of State shall within a reasonable time after receipt thereof, examine an application submitted to him

under this Section and unless he makes a determination that the application submitted to him does not conform with the requirements of this Section or that grounds exist for a denial of the application, as prescribed in Section 5-501 of this Chapter, grant the applicant an original license as applied for in writing for his established place of business and a supplemental license in writing for each additional place of business in such form as he may prescribe by rule or regulation which shall include the following:

1. the name of the person licensed;
2. if a corporation, the name and address of its officers or if a sole proprietorship, a partnership, an unincorporated association or any similar form of business organization, the name and address of the proprietor or of each partner, member, officer, director, trustee or manager;
3. a designation of the kind or kinds of business enumerated in subsection (a) of this Section to be conducted at each location;
4. in the case of an original license, the established place of business of the licensee;
5. in the case of a supplemental license, the established place of business of the licensee and the additional place of business to which such supplemental license pertains.

(f) The appropriate instrument evidencing the license or a

certified copy thereof, provided by the Secretary of State shall be kept, posted, conspicuously in the established place of business of the licensee and in each additional place of business, if any, maintained by such licensee. The licensee also shall post conspicuously in the established place of business and in each additional place of business a notice which states that such business is required to be licensed by the Secretary of State under Section 5-301, and which provides the license number of the business and the license expiration date. This notice also shall advise the consumer that any complaints as to the quality of service may be brought to the attention of the Attorney General. The information required on this notice also shall be printed conspicuously on all estimates and receipts for work by the licensee subject to this Section. The Secretary of State shall prescribe the specific format of this notice.

(g) Except as provided in subsection (h) hereof, licenses granted under this Section shall expire by operation of law on December 31 of the calendar year for which they are granted unless sooner revoked, nonrenewed, or cancelled under the provisions of Section 5-501 or 5-501.5 of this Chapter.

(h) Any license granted under this Section may be renewed upon application and payment of the fee required herein as in the case of an original license, provided, however, that in case an application for the renewal of an effective license is made during the month of December, such effective license shall

remain in force until such application is granted or denied by the Secretary of State.

(i) All automotive repairers and rebuilders shall, in addition to the requirements of subsections (a) through (h) of this Section, meet the following licensing requirements:

1. provide proof that the property on which first time applicants plan to do business is in compliance with local zoning laws and regulations, and a listing of zoning classification;

2. provide proof that the applicant for a repairer's license complies with the proper workers' compensation rate code or classification, and listing the code of classification for that industry;

3. provide proof that the applicant for a rebuilder's license complies with the proper workers' compensation rate code or classification for the repair industry or the auto parts recycling industry and listing the code of classification;

4. provide proof that the applicant has obtained or applied for a hazardous waste generator number, and listing the actual number if available or certificate of exemption;

5. provide proof that applicant has proper liability insurance, and listing the name of the insurer and the policy number; and

6. provide proof that the applicant has obtained or applied for the proper State sales tax classification and



federal identification tax number, and listing the actual numbers if available.

(i-1) All automotive repairers shall provide proof that they comply with all requirements of the Automotive Collision Repair Act.

(j) All automotive parts recyclers shall, in addition to the requirements of subsections (a) through (h) of this Section, meet the following licensing requirements:

1. provide a statement that the applicant purchases 5 vehicles per year or has 5 hulks or chassis in stock;

2. provide proof that the property on which all first time applicants will do business does comply to the proper local zoning laws in existence, and a listing of zoning classifications;

3. provide proof that applicant complies with the proper workers' compensation rate code or classification, and listing the code of classification; and

4. provide proof that applicant has obtained or applied for the proper State sales tax classification and federal identification tax number, and listing the actual numbers if available.

(Source: P.A. 100-409, eff. 8-25-17.)

(625 ILCS 5/5-302) (from Ch. 95 1/2, par. 5-302)

Sec. 5-302. Out-of-state salvage vehicle buyer must be licensed.

(a) No person in this State shall sell ~~or offer~~ at auction a salvage vehicle ~~vehicles~~ to a nonresident individual or business licensed in the United States unless the nonresident is ~~who is not~~ licensed in another state or jurisdiction and provides a resale tax certificate, if applicable, and one of the following: a National Motor Vehicle Title Information System (NMVTIS) number, a federal employer identification number, or a government-issued driver's license or passport. A person in this State shall not sell at auction a salvage vehicle to an out-of-country buyer, unless if the nonresident is licensed in a jurisdiction that is not a state, then the nonresident shall provide to the seller the number of the nonresident's license issued by that jurisdiction and a copy of the nonresident's passport or the passport of an owner or officer of the nonresident entity or a copy of another form of government-issued identification from the nonresident or an owner or officer of the nonresident entity.

(b) (Blank).

(c) (Blank).

(d) (Blank).

(e) (Blank).

(f) (Blank).

(g) An out-of-state salvage vehicle buyer shall be subject to the inspection of records pertaining to the acquisition of salvage vehicles in this State in accordance with this Code and such rules as the Secretary of State may promulgate.

(h) (Blank).

(i) (Blank).

(j) An out-of-state salvage vehicle buyer who provides an address outside of the United States shall receive a salvage certificate stamped by the seller with the designation of "For Export Only" at the point of sale for each salvage vehicle purchased and the NMVTIS record shall be designated "EXPORT".

(Source: P.A. 95-783, eff. 1-1-09.)

(625 ILCS 5/5-803)

Sec. 5-803. Administrative penalties. Instead of filing a criminal complaint against a new or used vehicle dealer, or against any other entity licensed by the Secretary under this Code, or any other unlicensed entity acting in violation of this Code, a Secretary of State Police investigator may issue administrative citations for violations of any of the provisions of this Code or any administrative rule adopted by the Secretary under this Code. A party receiving a citation shall have the right to contest the citation in proceedings before the Secretary of State Department of Administrative Hearings. Penalties imposed by issuance of an administrative citation shall not exceed \$50 per violation. A penalty may not be imposed unless, during the course of a single investigation or upon review of the party's records, the party is found to have committed at least 3 separate violations of one or more of the provisions of this Code or any administrative rule adopted

Public Act 101-0572

SB1934 Enrolled

LRB101 08765 TAE 53852 b

by the Secretary under this Code. Penalties paid as a result of the issuance of administrative citations shall be deposited in the Secretary of State Police Services Fund.

(Source: P.A. 97-838, eff. 7-20-12; 98-177, eff. 1-1-14.)

Section 99. Effective date. This Act takes effect upon becoming law.