

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 1-118, 5-301, 5-503, 6-201, and 6-401 and by adding Section 5-501.5 as follows:

(625 ILCS 5/1-118) (from Ch. 95 1/2, par. 1-118)

Sec. 1-118. Essential parts. All integral and body parts of a vehicle of a type required to be registered hereunder, the removal, alteration or substitution of which would tend to conceal the identity of the vehicle or substantially alter its appearance, model, type or mode of operation. "Essential parts" includes the following: vehicle hulks, shells, chassis, frames, front end assemblies (which may consist of headlight, grill, fenders and hood), front clip (front end assembly with cowl attached), rear clip (which may consist of quarter panels, fenders, floor and top), doors, hatchbacks, fenders, cabs, cab clips, cowls, hoods, trunk lids, deck lids, bed, front bumper, rear bumper, ~~T-tops, sunroofs, moon roofs, astro roofs,~~ transmissions ~~of vehicles of the second division,~~ seats, ~~aluminum wheels,~~ engines and similar parts. Essential parts also includes fairings, fuel tanks, and forks of motorcycles. Essential parts shall also include stereo radios, ~~cassette~~

~~radios, compact disc radios, cassette/compact disc radios and compact disc players and compact disc changers which are either installed in dash or trunk mounted.~~

An essential part which does not have affixed to it an identification number as defined in Section 1-129 adopts the identification number of the vehicle to which such part is affixed, installed or mounted.

An "essential part" does not include an engine, transmission, or a rear axle that is used in a glider kit.

(Source: P.A. 99-748, eff. 8-5-16.)

(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. 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.

(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. 97-832, eff. 7-20-12; 97-1150, eff. 1-25-13; 98-756, eff. 7-16-14.)

(625 ILCS 5/5-501.5 new)

Sec. 5-501.5. License eligibility; fraud.

(a) For purposes of this Section, an "automotive parts recycler, scrap processor, repairer, or rebuilder" includes any owners, operators, principals, shareholders, partners, or directors that have ownership interest or managerial authority in the business at the time the fraud or misconduct occurred.

(b) Notwithstanding any other provision of law to the contrary, an automotive parts recycler, scrap processor, repairer, or rebuilder with a business license issued by a municipality that has been revoked or nonrenewed due to fraud or misconduct committed against the municipality within 3 years preceding the effective date of this amendatory Act of the

100th General Assembly or on or after the effective date of this amendatory Act of the 100th General Assembly shall not be eligible for a license or license renewal under Section 5-301 of this Code.

(c) No later than 30 days after the effective date of this amendatory Act of the 100th General Assembly, a municipality that has revoked or nonrenewed a business license under subsection (b) of this Section shall:

(1) notify the Secretary of State of the revocation or nonrenewal; and

(2) notify any other municipality in which the former licensee is known to conduct business that the former licensee's business license has been revoked or nonrenewed due to fraud or misconduct committed against the municipality.

(d) No later than 30 days after receiving a notice required under paragraph (2) of subsection (c) of this Section, a municipality shall take all actions necessary to revoke or, if the business license is set to expire within a 30-day period of the notice, prohibit renewal of the licensee's business license.

(d-5) No later than 30 days after receiving notice under paragraph (1) of subsection (c) of this Section, the Secretary shall notify the former licensee that it is not eligible to conduct business in this State as an automotive parts recycler, scrap processor, repairer, or rebuilder.

(e) An automotive parts recycler, scrap processor, repairer, or rebuilder shall be fined \$1,000 for each day it conducts business in this State in violation of this Section.

(f) No unit of local government, including a home rule unit, may regulate business licenses in a manner inconsistent with this Section. This subsection (f) is a limitation under subsection (i) of Section 6 of Article VII of the Illinois Constitution on the concurrent exercise by home rule units of powers and functions exercised by the State.

(625 ILCS 5/5-503) (from Ch. 95 1/2, par. 5-503)

Sec. 5-503. Failure to obtain dealer's license, operation of a business with a suspended or revoked license. (a) Any person operating a business for which he is required to be licensed under Section 5-101, 5-102, 5-201 or 5-301 who fails to apply for such a license or licenses within 15 days after being informed in writing by the Secretary of State that he must obtain such a license or licenses is subject to a civil action brought by the Secretary of State for operating a business without a license in the circuit court in the county in which the business is located. If the person is found to be in violation of Section 5-101, 5-102, 5-201 or 5-301 by carrying on a business without being properly licensed, that person shall be fined \$300 for each business day he conducted his business without such a license after the expiration of the 15 day period specified in this subsection (a).

(b) Any person who, having had his license or licenses issued under Section 5-101, 5-102, 5-201 or 5-301 suspended, revoked, nonrenewed, cancelled, or denied by the Secretary of State under Section 5-501 or 5-501.5 of this Code, continues to operate business after the effective date of such revocation, nonrenewal, suspension, cancellation, or denial may be sued in a civil action by the Secretary of State in the county in which the established or additional place of such business is located. Except as provided in subsection (e) of Section 5-501.5 of this Code, if ~~if~~ such person is found by the court to have operated such a business after the license or licenses required for conducting such business have been suspended, revoked, nonrenewed, cancelled, or denied, that person shall be fined \$500 for each day he conducted business thereafter.

(Source: P.A. 86-444.)

(625 ILCS 5/6-201)

Sec. 6-201. Authority to cancel licenses and permits.

(a) The Secretary of State is authorized to cancel any license or permit upon determining that the holder thereof:

1. was not entitled to the issuance thereof hereunder;
- or
2. failed to give the required or correct information in his application; or
3. failed to pay any fees, civil penalties owed to the Illinois Commerce Commission, or taxes due under this Act

and upon reasonable notice and demand; or

4. committed any fraud in the making of such application; or

5. is ineligible therefor under the provisions of Section 6-103 of this Act, as amended; or

6. has refused or neglected to submit an alcohol, drug, and intoxicating compound evaluation or to submit to examination or re-examination as required under this Act; or

7. has been convicted of violating the Cannabis Control Act, the Illinois Controlled Substances Act, the Methamphetamine Control and Community Protection Act, or the Use of Intoxicating Compounds Act while that individual was in actual physical control of a motor vehicle. For purposes of this Section, any person placed on probation under Section 10 of the Cannabis Control Act, Section 410 of the Illinois Controlled Substances Act, or Section 70 of the Methamphetamine Control and Community Protection Act shall not be considered convicted. Any person found guilty of this offense, while in actual physical control of a motor vehicle, shall have an entry made in the court record by the judge that this offense did occur while the person was in actual physical control of a motor vehicle and order the clerk of the court to report the violation to the Secretary of State as such. After the cancellation, the Secretary of State shall not issue a new license or permit

for a period of one year after the date of cancellation. However, upon application, the Secretary of State may, if satisfied that the person applying will not endanger the public safety, or welfare, issue a restricted driving permit granting the privilege of driving a motor vehicle between the petitioner's residence and petitioner's place of employment or within the scope of the petitioner's employment related duties, or to allow transportation for the petitioner or a household member of the petitioner's family for the receipt of necessary medical care, or provide transportation for the petitioner to and from alcohol or drug remedial or rehabilitative activity recommended by a licensed service provider, or for the petitioner to attend classes, as a student, in an accredited educational institution. The petitioner must demonstrate that no alternative means of transportation is reasonably available; provided that the Secretary's discretion shall be limited to cases where undue hardship, as defined by the rules of the Secretary of State, would result from a failure to issue such restricted driving permit. In each case the Secretary of State may issue such restricted driving permit for such period as he deems appropriate, except that such permit shall expire within one year from the date of issuance. A restricted driving permit issued hereunder shall be subject to cancellation, revocation and suspension by the Secretary of State in like

manner and for like cause as a driver's license issued hereunder may be cancelled, revoked or suspended; except that a conviction upon one or more offenses against laws or ordinances regulating the movement of traffic shall be deemed sufficient cause for the revocation, suspension or cancellation of a restricted driving permit. The Secretary of State may, as a condition to the issuance of a restricted driving permit, require the applicant to participate in a driver remedial or rehabilitative program. In accordance with 49 C.F.R. 384, the Secretary of State may not issue a restricted driving permit for the operation of a commercial motor vehicle to a person holding a CDL whose driving privileges have been revoked, suspended, cancelled, or disqualified under this Code; or

8. failed to submit a report as required by Section 6-116.5 of this Code; or

9. has been convicted of a sex offense as defined in the Sex Offender Registration Act. The driver's license shall remain cancelled until the driver registers as a sex offender as required by the Sex Offender Registration Act, proof of the registration is furnished to the Secretary of State and the sex offender provides proof of current address to the Secretary; or

10. is ineligible for a license or permit under Section 6-107, 6-107.1, or 6-108 of this Code; or

11. refused or neglected to appear at a Driver Services

facility to have the license or permit corrected and a new license or permit issued or to present documentation for verification of identity; or

12. failed to submit a medical examiner's certificate or medical variance as required by 49 C.F.R. 383.71 or submitted a fraudulent medical examiner's certificate or medical variance; or

13. has had his or her medical examiner's certificate, medical variance, or both removed or rescinded by the Federal Motor Carrier Safety Administration; or

14. failed to self-certify as to the type of driving in which the CDL driver engages or expects to engage; or

15. has submitted acceptable documentation indicating out-of-state residency to the Secretary of State to be released from the requirement of showing proof of financial responsibility in this State; or

16. was convicted of fraud relating to the testing or issuance of a CDL or CLP, in which case only the CDL or CLP shall be cancelled. After cancellation, the Secretary shall not issue a CLP or CDL for a period of one year from the date of cancellation; or

17. has a special restricted license under subsection (g) of Section 6-113 of this Code and failed to submit the required annual vision specialist report that the special restricted license holder's vision has not changed; or

18. has a special restricted license under subsection

(g) of Section 6-113 of this Code and was convicted or received court supervision for a violation of this Code that occurred during nighttime hours or was involved in a motor vehicle accident during nighttime hours in which the restricted license holder was at fault; or -

19. has assisted an out-of-state resident in acquiring an Illinois driver's license or identification card by providing or allowing the out-of-state resident to use his or her Illinois address of residence and is complicit in distributing and forwarding the Illinois driver's license or identification card to the out-of-state resident.

(b) Upon such cancellation the licensee or permittee must surrender the license or permit so cancelled to the Secretary of State.

(c) Except as provided in Sections 6-206.1 and 7-702.1, the Secretary of State shall have exclusive authority to grant, issue, deny, cancel, suspend and revoke driving privileges, drivers' licenses and restricted driving permits.

(d) The Secretary of State may adopt rules to implement this Section.

(Source: P.A. 97-208, eff. 1-1-12; 97-229, eff. 7-28-11; 97-813, eff. 7-13-12; 97-835, eff. 7-20-12; 98-176 (see Section 10 of P.A. 98-722 and Section 10 of P.A. 99-414 for the effective date of changes made by P.A. 98-176); 98-178, eff. 1-1-14; 98-747, eff. 1-1-15; 98-756, eff. 7-16-14.)

(625 ILCS 5/6-401) (from Ch. 95 1/2, par. 6-401)

Sec. 6-401. Driver training schools-license required.

(a) No person, firm, association, partnership or corporation shall operate a driver training school or engage in the business of giving instruction for hire or for a fee in (1) the driving of motor vehicles; or (2) the preparation of an applicant for examination given by the Secretary of State for a drivers license or permit, unless a license therefor has been issued by the Secretary. No public schools or educational institutions shall contract with entities engaged in the business of giving instruction for hire or for a fee in the driving of motor vehicles for the preparation of an applicant for examination given by the Secretary of State for a driver's license or permit, unless a license therefor has been issued by the Secretary.

This subsection (a) ~~Section~~ shall not apply to (i) public schools or to educational institutions in which driving instruction is part of the curriculum, (ii) employers giving instruction to their employees, or (iii) schools that teach enhanced driving skills to licensed drivers as set forth in Article X of Chapter 6 of this Code.

(b) Any person, firm, association, partnership, or corporation that violates subsection (a) of this Section shall be guilty of a Class A misdemeanor for a first offense and a Class 4 felony for a second or subsequent offense.

(Source: P.A. 96-740, eff. 1-1-10; 96-962, eff. 7-2-10; 97-229,

Public Act 100-0409

SB0675 Enrolled

LRB100 06005 AXK 16035 b

eff. 7-28-11.)

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