

AN ACT concerning regulation.

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

Section 5. The Auction License Act is amended by changing Sections 10-30, 10-40, 10-50, 20-15, 20-43, 20-50, 20-65, and 30-30 and by adding Sections 20-110, 20-115, 25-110, and 25-115 as follows:

(225 ILCS 407/10-30)

(Section scheduled to be repealed on January 1, 2030)

Sec. 10-30. Expiration, renewal, and continuing education.

(a) License expiration dates, renewal periods, renewal fees, and procedures for renewal of licenses issued under this Act shall be set by rule of the Department. An entity may renew its license by paying the required fee and by meeting the renewal requirements adopted by the Department under this Section.

(b) All renewal applicants must provide proof as determined by the Department of having met the continuing education requirements by the deadline set forth by the Department by rule. At a minimum, the rules shall require an applicant for renewal licensure as an auctioneer to provide proof of the completion of at least 12 hours of continuing education during the pre-renewal period established by the

Department for completion of continuing education from schools approved by the Department, as established by rule.

(c) The Department, in its discretion, may waive enforcement of the continuing education requirements of this Section and shall adopt rules defining the standards and criteria for such waiver.

(d) (Blank).

(e) The Department shall not issue or renew a license if the applicant or licensee has an unpaid fine or fee from a disciplinary matter or from a non-disciplinary action imposed by the Department until the fine or fee is paid to the Department or the applicant or licensee has entered into a payment plan and is current on the required payments.

(f) The Department shall not issue or renew a license if the applicant or licensee has an unpaid fine or civil penalty imposed by the Department for unlicensed practice until the fine or civil penalty is paid to the Department or the applicant or licensee has entered into a payment plan and is current on the required payments.

(Source: P.A. 102-970, eff. 5-27-22.)

(225 ILCS 407/10-40)

(Section scheduled to be repealed on January 1, 2030)

Sec. 10-40. Restoration.

(a) A licensee whose license has lapsed or expired shall have 2 years from the expiration date to restore licensure ~~his~~

~~or her license~~ without examination. The expired licensee shall make application to the Department on forms provided by the Department, provide evidence of successful completion of 12 hours of approved continuing education during the period of time the license had lapsed, and pay all fees and penalties as established by rule.

(b) Notwithstanding any other provisions of this Act to the contrary, any licensee whose license under this Act has expired is eligible to restore such license without paying any lapsed fees and penalties if the license expired while the licensee was:

(1) on active duty with the United States Army, United States Marine Corps, United States Navy, United States Air Force, United States Coast Guard, the State Militia called into service or training;

(2) engaged in training or education under the supervision of the United States prior to induction into military service; or

(3) serving as an employee of the Department, while the employee was required to surrender the ~~his or her~~ license ~~due to a possible conflict of interest.~~

A licensee shall also be eligible to restore a license under paragraphs (1), (2), and (3) without completing the continuing education requirements for that licensure period. ~~For this subsection for~~ a period of 2 years following the termination of the service or education if the termination was

by other than dishonorable discharge and the licensee furnishes the Department with an affidavit specifying that the licensee has been so engaged.

(c) At any time after the suspension, revocation, placement on probationary status, or other disciplinary action taken under this Act with reference to any license, the Department may restore the license to the licensee without examination upon the order of the Secretary, if the licensee submits a properly completed application, pays the appropriate fees, and otherwise complies with the conditions of the order. (Source: P.A. 101-345, eff. 8-9-19.)

(225 ILCS 407/10-50)

(Section scheduled to be repealed on January 1, 2030)

Sec. 10-50. Fees; disposition of funds.

(a) The Department shall establish by rule a schedule of fees for the administration and maintenance of this Act. Such fees shall be nonrefundable.

(b) Prior to July 1, 2023, all fees collected under this Act shall be deposited into the General Professions Dedicated Fund and appropriated to the Department for the ordinary and contingent expenses of the Department in the administration of this Act. Beginning on July 1, 2023, all fees, fines, penalties, or other monies received or collected pursuant to this Act shall be deposited in the Division of Real Estate General Fund. On or after July 1, 2023, at the direction of the

Department, the Comptroller shall direct and the Treasurer shall transfer the remaining balance of funds collected under this Act from the General Professions Dedicated Fund to the Division of Real Estate General Fund.

(Source: P.A. 102-970, eff. 5-27-22.)

(225 ILCS 407/20-15)

(Section scheduled to be repealed on January 1, 2030)

Sec. 20-15. Disciplinary actions; grounds. The Department may refuse to issue or renew a license, may place on probation or administrative supervision, suspend, or revoke any license or may reprimand or take other disciplinary or non-disciplinary action as the Department may deem proper, including the imposition of fines not to exceed \$10,000 for each violation upon any licensee or applicant ~~anyone licensed~~ under this Act or any person or entity who holds oneself out as an applicant or licensee for any of the following reasons:

(1) False or fraudulent representation or material misstatement in furnishing information to the Department in obtaining or seeking to obtain a license.

(2) Violation of any provision of this Act or the rules adopted under this Act.

(3) Conviction of or entry of a plea of guilty or nolo contendere, as set forth in subsection (c) of Section 10-5, to any crime that is a felony or misdemeanor under the laws of the United States or any state or territory

thereof, or entry of an administrative sanction by a government agency in this State or any other jurisdiction.

(3.5) Failing to notify the Department, within 30 days after the occurrence, of the information required in subsection (c) of Section 10-5.

(4) Being adjudged to be a person under legal disability or subject to involuntary admission or to meet the standard for judicial admission as provided in the Mental Health and Developmental Disabilities Code.

(5) Discipline of a licensee by another state, the District of Columbia, a territory of the United States, a foreign nation, a governmental agency, or any other entity authorized to impose discipline if at least one of the grounds for that discipline is the same as or the equivalent to one of the grounds for discipline set forth in this Act or for failing to report to the Department, within 30 days, any adverse final action taken against the licensee by any other licensing jurisdiction, government agency, law enforcement agency, or court, or liability for conduct that would constitute grounds for action as set forth in this Act.

(6) Engaging in the practice of auctioneering, conducting an auction, or providing an auction service without a license or after the license was expired, revoked, suspended, or terminated or while the license was inoperative.

(7) Attempting to subvert or cheat on the auctioneer exam or any continuing education exam, or aiding or abetting another to do the same.

(8) Directly or indirectly giving to or receiving from a person, firm, corporation, partnership, or association a fee, commission, rebate, or other form of compensation for professional service not actually or personally rendered, except that an auctioneer licensed under this Act may receive a fee from another licensed auctioneer from this State or jurisdiction for the referring of a client or prospect for auction services to the licensed auctioneer.

(9) Making any substantial misrepresentation or untruthful advertising.

(10) Making any false promises of a character likely to influence, persuade, or induce.

(11) Pursuing a continued and flagrant course of misrepresentation or the making of false promises through a licensee, agent, employee, advertising, or otherwise.

(12) Any misleading or untruthful advertising, or using any trade name or insignia of membership in any auctioneer association or organization of which the licensee is not a member.

(13) Commingling funds of others with the licensee's own funds or failing to keep the funds of others in an escrow or trustee account.

(14) Failure to account for, remit, or return any

moneys, property, or documents coming into the licensee's possession that belong to others, acquired through the practice of auctioneering, conducting an auction, or providing an auction service within 30 days of the written request from the owner of said moneys, property, or documents.

(15) Failure to maintain and deposit into a special account, separate and apart from any personal or other business accounts, all moneys belonging to others entrusted to a licensee while acting as an auctioneer, auction firm, or as a temporary custodian of the funds of others.

(16) Failure to make available to Department personnel during normal business hours all escrow and trustee records and related documents maintained in connection with the practice of auctioneering, conducting an auction, or providing an auction service within 24 hours after a request from Department personnel.

(17) Making or filing false records or reports in the licensee's practice, including, but not limited to, false records or reports filed with State agencies.

(18) Failing to voluntarily furnish copies of all written instruments prepared by the auctioneer and signed by all parties to all parties at the time of execution.

(19) Failing to provide information within 30 days in response to a written request made by the Department.

(20) Engaging in any act that constitutes a violation ~~of Section 2-102, 3-103, or 3-105~~ of the Illinois Human Rights Act.

(21) (Blank).

(22) Engaging in dishonorable, unethical, or unprofessional conduct of a character likely to deceive, defraud, or harm the public.

(23) Offering or advertising real estate for sale or lease at auction without a valid broker or managing broker's license under the Real Estate License Act of 1983, or any successor Act, unless exempt from licensure under the terms of the Real Estate License Act of 2000, or any successor Act, except as provided in Section 5-32 of the Real Estate License Act of 2000.

(24) Inability to practice the profession with reasonable judgment, skill, or safety as a result of a physical illness, mental illness, or disability.

(25) A pattern of practice or other behavior that demonstrates incapacity or incompetence to practice under this Act.

(26) Being named as a perpetrator in an indicated report by the Department of Children and Family Services under the Abused and Neglected Child Reporting Act and upon proof by clear and convincing evidence that the licensee has caused a child to be an abused child or a neglected child as defined in the Abused and Neglected

Child Reporting Act.

(27) Inability to practice with reasonable judgment, skill, or safety as a result of habitual or excessive use or addiction to alcohol, narcotics, stimulants, or any other chemical agent or drug.

(28) Willfully failing to report an instance of suspected child abuse or neglect as required by the Abused and Neglected Child Reporting Act.

(29) Violating the terms of any order issued by the Department.

(Source: P.A. 101-345, eff. 8-9-19; 102-970, eff. 5-27-22.)

(225 ILCS 407/20-43)

(Section scheduled to be repealed on January 1, 2030)

Sec. 20-43. Investigations; notice and hearing. The Department may investigate the actions or qualifications of any person who is an applicant, unlicensed person, or person rendering or offering to render auction services, or holding or claiming to hold a license as a licensed auctioneer. At least 30 days before any disciplinary hearing under this Act, the Department shall: (i) notify the person charged ~~accused~~ in writing of the charges made and the time and place of the hearing; (ii) direct the person ~~accused~~ to file with the Board a written answer under oath to the charges within 20 days of receiving service of the notice; and (iii) inform the person ~~accused~~ that if the person ~~he or she~~ fails to file an answer to

the charges within 20 days of receiving service of the notice, ~~a default judgment~~ may be entered and the ~~against him or her,~~ ~~or his or her~~ license may be suspended, revoked, placed on probationary status, or other disciplinary action taken with regard to the license as the Department may consider proper, including, but not limited to, limiting the scope, nature, or extent of the licensee's practice, or imposing a fine.

At the time and place of the hearing fixed in the notice, the Board shall proceed to hear the charges, and the person ~~accused~~ or person's ~~his or her~~ counsel shall be accorded ample opportunity to present any pertinent statements, testimony, evidence, and arguments in the person's ~~his or her~~ defense. The Board may continue the hearing when it deems it appropriate.

Notice of the hearing may be served by ~~personal delivery,~~ ~~by~~ certified mail, or, at the discretion of the Department, by an electronic means to the person's licensee's last known address or email address of record or, if in the course of the administrative proceeding the party has previously designated a specific email address at which to accept electronic service for that specific proceeding, by sending a copy by email to the party's email address on record.

(Source: P.A. 101-345, eff. 8-9-19.)

(225 ILCS 407/20-50)

(Section scheduled to be repealed on January 1, 2030)

Sec. 20-50. Findings and recommendations. At the conclusion of the hearing, the Board shall present to the Secretary a written report of its findings of fact, conclusions of law, and recommendations. The report shall contain a finding whether or not the ~~accused~~ person charged violated this Act or any rules promulgated pursuant to this Act. The Board shall specify the nature of any violations and shall make its recommendations to the Secretary. In making recommendations for any disciplinary action, the Board may take into consideration all facts and circumstances bearing upon the reasonableness of the conduct of the person accused, including, but not limited to, previous discipline of the person accused by the Department, intent, degree of harm to the public and likelihood of future harm to the public, any restitution made by the person accused, and whether the incident or incidents contained in the complaint appear to be isolated or represent a continuing pattern of conduct. In making its recommendations for discipline, the Board shall endeavor to ensure that the severity of the discipline recommended is reasonably proportional to the severity of the violation.

The report of the Board's findings of fact, conclusions of law, and recommendations shall be the basis for the Department's decision to refuse to issue, restore, or renew a license, or to take any other disciplinary action. If the Secretary disagrees with the recommendations of the Board, the

Secretary may issue an order in contravention of the Board recommendations. The report's findings are not admissible in evidence against the person in a criminal prosecution brought for a violation of this Act, but the hearing and findings are not a bar to a criminal prosecution for the violation of this Act.

If the Secretary disagrees in any regard with the report of the Advisory Board, the Secretary may issue an order in contravention of the report. The Secretary shall provide a written report to the Advisory Board on any deviation and shall specify with particularity the reasons for that action in the final order.

(Source: P.A. 95-572, eff. 6-1-08; 96-730, eff. 8-25-09.)

(225 ILCS 407/20-65)

(Section scheduled to be repealed on January 1, 2030)

Sec. 20-65. Restoration of license. At any time after the suspension, ~~or~~ revocation, or probation of any license, the Department may restore the license to the ~~accused~~ person upon the written recommendation of the Advisory Board, unless after an investigation and a hearing the Advisory Board determines that restoration is not in the public interest.

(Source: P.A. 95-572, eff. 6-1-08.)

(225 ILCS 407/20-110 new)

Sec. 20-110. Cease and desist orders. The Department may

issue a cease and desist order to a person who engages in activities prohibited by this Act. Any person in violation of a cease and desist order issued by the Department is subject to all of the penalties provided by law.

(225 ILCS 407/20-115 new)

Sec. 20-115. Statute of limitations. No action may be taken under this Act against a person or entity licensed under this Act unless the action is commenced within 5 years after the occurrence of the alleged violation. A continuing violation is deemed to have occurred on the date when the circumstances last existed that gave rise to the alleged continuing violation.

(225 ILCS 407/25-110 new)

Sec. 25-110. Licensing of auction schools.

(a) Only an auction school licensed by the Department may provide the continuing education courses required for licensure under this Act.

(b) An auction school may also provide the course required to obtain the real estate auction certification in Section 5-32 of the Real Estate License Act of 2000. The course shall be approved by the Real Estate Administration and Disciplinary Board pursuant to Section 25-10 of the Real Estate License Act of 2000.

(c) A person or entity seeking to be licensed as an auction

school under this Act shall provide satisfactory evidence of the following:

(1) a sound financial base for establishing, promoting, and delivering the necessary courses;

(2) a sufficient number of qualified instructors;

(3) adequate support personnel to assist with administrative matters and technical assistance;

(4) a qualified school administrator, who is responsible for the administration of the school, courses, and the actions of the instructors;

(5) proof of good standing with the Secretary of State and authority to conduct business in this State; and

(6) any other requirements provided by rule.

(d) All applicants for an auction schools license shall make initial application to the Department in a manner prescribed by the Department and pay the appropriate fee as provided by rule. In addition to any other information required to be contained in the application as prescribed by rule, every application for an original or renewed license shall include the applicant's Taxpayer Identification Number. The term, expiration date, and renewal of an auction schools license shall be established by rule.

(e) An auction school shall provide each successful course participant with a certificate of completion signed by the school administrator. The format and content of the certificate shall be specified by rule.

(f) All auction schools shall provide to the Department a roster of all successful course participants as provided by rule.

(225 ILCS 407/25-115 new)

Sec. 25-115. Course approval.

(a) Only courses that are approved by the Department and offered by licensed auction schools shall be used to meet the requirements of this Act and rules.

(b) An auction school licensed under this Act may submit courses to the Department for approval. The criteria, requirements, and fees for courses shall be established by rule.

(c) For each course approved, the Department shall issue certification of course approval to the auction school. The term, expiration date, and renewal of a course approval shall be established by rule.

(225 ILCS 407/30-30)

(Section scheduled to be repealed on January 1, 2030)

Sec. 30-30. Auction Advisory Board.

(a) There is hereby created the Auction Advisory Board. The Advisory Board shall consist of 7 members and shall be appointed by the Secretary. In making the appointments, the Secretary shall give due consideration to the recommendations by members and organizations of the industry, including, but

not limited to, the Illinois State Auctioneers Association. Five members of the Advisory Board shall be licensed auctioneers. One member shall be a public member who represents the interests of consumers and who is not licensed under this Act or the spouse of a person licensed under this Act or who has any responsibility for management or formation of policy of or any financial interest in the auctioneering profession. One member shall be actively engaged in the real estate industry and licensed as a broker or managing broker. The Advisory Board shall annually elect, at its first meeting of the fiscal year, one of its members to serve as Chairperson.

(b) The members' terms shall be for 4 years and until a successor is appointed. No member shall be reappointed to the Board for a term that would cause the member's cumulative service to the Board to exceed 12 ~~10~~ years. Appointments to fill vacancies shall be made by the Secretary for the unexpired portion of the term. To the extent practicable, the Secretary shall appoint members to ensure that the various geographic regions of the State are properly represented on the Advisory Board. The Secretary shall remove from the Board any member whose license has been revoked or suspended and may remove any member of the Board for neglect of duty, misconduct, incompetence, or for missing 2 board meetings during any one fiscal year.

(c) Four Board members shall constitute a quorum. A quorum is required for all Board decisions. A vacancy in the

membership of the Board shall not impair the right of a quorum to exercise all of the rights and perform all of the duties of the Board.

(d) Each member of the Advisory Board may receive a per diem stipend in an amount to be determined by the Secretary. While engaged in the performance of duties, each member shall be reimbursed for necessary expenses.

(e) Members of the Advisory Board shall be immune from suit in an action based upon any disciplinary proceedings or other acts performed in good faith as members of the Advisory Board.

(f) The Advisory Board shall meet as convened by the Department.

(g) The Advisory Board shall advise the Department on matters of licensing and education and make recommendations to the Department on those matters and shall hear and make recommendations to the Secretary on disciplinary matters that require a formal evidentiary hearing.

(h) The Secretary shall give due consideration to all recommendations of the Advisory Board.

(Source: P.A. 102-970, eff. 5-27-22.)

Section 10. The Community Association Manager Licensing and Disciplinary Act is amended by changing Sections 25, 32, 60, 85, 95, and 130 as follows:

(225 ILCS 427/25)

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

Sec. 25. Community Association Manager Licensing and Disciplinary Board.

(a) There is hereby created the Community Association Manager Licensing and Disciplinary Board, which shall consist of 7 members appointed by the Secretary. All members must be residents of the State and must have resided in the State for at least 5 years immediately preceding the date of appointment. Five members of the Board must be licensees under this Act. Two members of the Board shall be owners of, or hold a shareholder's interest in, a unit in a community association at the time of appointment who are not licensees under this Act and have no direct affiliation with the community association's community association manager. This Board shall act in an advisory capacity to the Department.

(b) The term of each member shall be for 4 years and until that member's successor is appointed. No member shall be reappointed to the Board for a term that would cause the member's cumulative service to the Board to exceed 12 ~~10~~ years. Appointments to fill vacancies shall be made by the Secretary for the unexpired portion of the term. The Secretary shall remove from the Board any member whose license has become void or has been revoked or suspended and may remove any member of the Board for neglect of duty, misconduct, ~~or~~ incompetence, or for missing 2 board meetings during any one

fiscal year. A member who is subject to formal disciplinary proceedings shall be disqualified from all Board business until the charge is resolved. A member also shall be disqualified from any matter on which the member cannot act objectively.

(c) Four Board members shall constitute a quorum. A quorum is required for all Board decisions. A vacancy in the membership of the Board shall not impair the right of a quorum to exercise all of the rights and perform all of the duties of the Board.

(d) The Board shall elect annually, at its first meeting of the fiscal year, a chairperson and vice chairperson.

(e) Each member shall be reimbursed for necessary expenses incurred in carrying out the duties as a Board member. The Board may receive a per diem stipend in an amount to be determined by the Secretary.

(f) The Board may recommend policies, procedures, and rules relevant to the administration and enforcement of this Act.

(g) Members of the Board shall be immune from suit in an action based upon any disciplinary proceedings or other acts performed in good faith as members of the Board.

(Source: P.A. 102-20, eff. 1-1-22; 102-970, eff. 5-27-22.)

(225 ILCS 427/32)

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

Sec. 32. Social Security Number or Individual Taxpayer ~~Federal-Tax~~ Identification Number on license application. In addition to any other information required to be contained in the application, every application for an original license under this Act shall include the applicant's Social Security Number or Individual Taxpayer ~~Federal-Tax~~ Identification Number, which shall be retained in the Department's records pertaining to the license. As soon as practical, the Department shall assign a customer's identification number to each applicant for a license.

Every application for a renewal or restored license shall require the applicant's customer identification number.

(Source: P.A. 97-400, eff. 1-1-12; 98-365, eff. 1-1-14.)

(225 ILCS 427/60)

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

Sec. 60. Licenses; renewals; restoration; person in military service.

(a) The expiration date, fees, and renewal period for each license issued under this Act shall be set by rule. The Department may promulgate rules requiring continuing education and set all necessary requirements for such, including, but not limited to, fees, approved coursework, number of hours, and waivers of continuing education.

(b) Any licensee who has an expired license may have the license restored by applying to the Department and filing

proof acceptable to the Department of fitness to have the expired license restored, which may include sworn evidence certifying to active practice in another jurisdiction satisfactory to the Department, complying with any continuing education requirements, and paying the required restoration fee.

(c) Any person whose license expired while (i) in federal service on active duty with the Armed Forces of the United States or called into service or training with the State Militia, ~~or~~ (ii) in training or education under the supervision of the United States preliminary to induction into the military service, or (iii) serving as an employee of the Department may have the license renewed or restored without paying any lapsed renewal fees and without completing the continuing education requirements for that licensure period if, within 2 years after honorable termination of the service, training, ~~or~~ education, except under condition other than honorable, the licensee furnishes the Department with satisfactory evidence of engagement and that the service, training, or education has been so honorably terminated.

(d) A community association manager or community association management firm that notifies the Department, in a manner prescribed by the Department, may place the license on inactive status for a period not to exceed 2 years and shall be excused from the payment of renewal fees until the person notifies the Department in writing of the intention to resume

active practice.

(e) A community association manager or community association management firm requesting that the license be changed from inactive to active status shall be required to pay the current renewal fee and shall also demonstrate compliance with the continuing education requirements.

(f) No licensee with a nonrenewed or inactive license status or community association management firm operating without a designated community association manager shall provide community association management services as set forth in this Act.

(g) Any person violating subsection (f) of this Section shall be considered to be practicing without a license and will be subject to the disciplinary provisions of this Act.

(h) The Department shall not issue or renew a license if the applicant or licensee has an unpaid fine or fee from a disciplinary matter or from a non-disciplinary action imposed by the Department until the fine or fee is paid to the Department or the applicant or licensee has entered into a payment plan and is current on the required payments.

(i) The Department shall not issue or renew a license if the applicant or licensee has an unpaid fine or civil penalty imposed by the Department for unlicensed practice until the fine or civil penalty is paid to the Department or the applicant or licensee has entered into a payment plan and is current on the required payments.

(Source: P.A. 102-20, eff. 1-1-22; 102-970, eff. 5-27-22.)

(225 ILCS 427/85)

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

Sec. 85. Grounds for discipline; refusal, revocation, or suspension.

(a) The Department may refuse to issue or renew a license, or may place on probation, reprimand, suspend, or revoke any license, or take any other disciplinary or non-disciplinary action as the Department may deem proper and impose a fine not to exceed \$10,000 for each violation upon any licensee or applicant under this Act or any person or entity who holds oneself out as an applicant or licensee for any one or combination of the following causes:

(1) Material misstatement in furnishing information to the Department.

(2) Violations of this Act or its rules.

(3) Conviction of or entry of a plea of guilty or plea of nolo contendere, as set forth in subsection (f) of Section 40, to (i) a felony or a misdemeanor under the laws of the United States, any state, or any other jurisdiction or entry of an administrative sanction by a government agency in this State or any other jurisdiction or (ii) a crime that subjects the licensee to compliance with the requirements of the Sex Offender Registration Act; or the entry of an administrative sanction by a government agency

in this State or any other jurisdiction.

(4) Making any misrepresentation for the purpose of obtaining a license or violating any provision of this Act or its rules.

(5) Professional incompetence.

(6) Gross negligence.

(7) Aiding or assisting another person in violating any provision of this Act or its rules.

(8) Failing, within 30 days, to provide information in response to a request made by the Department.

(9) Engaging in dishonorable, unethical, or unprofessional conduct of a character likely to deceive, defraud, or harm the public as defined by the rules of the Department, or violating the rules of professional conduct adopted by the Department.

(10) Habitual or excessive use or addiction to alcohol, narcotics, stimulants, or any other chemical agent or drug that results in the inability to practice with reasonable judgment, skill, or safety.

(11) Having been disciplined by another state, the District of Columbia, a territory, a foreign nation, or a governmental agency authorized to impose discipline if at least one of the grounds for the discipline is the same or substantially equivalent of one of the grounds for which a licensee may be disciplined under this Act. A certified copy of the record of the action by the other state or

jurisdiction shall be prima facie evidence thereof.

(12) Directly or indirectly giving to or receiving from any person, firm, corporation, partnership, or association any fee, commission, rebate, or other form of compensation for any services not actually or personally rendered.

(13) A finding by the Department that the licensee, after having the license placed on probationary status, has violated the terms of probation.

(14) Willfully making or filing false records or reports relating to a licensee's practice, including, but not limited to, false records filed with any State or federal agencies or departments.

(15) Being named as a perpetrator in an indicated report by the Department of Children and Family Services under the Abused and Neglected Child Reporting Act and upon proof by clear and convincing evidence that the licensee has caused a child to be an abused child or neglected child as defined in the Abused and Neglected Child Reporting Act.

(16) Physical illness or mental illness or impairment that results in the inability to practice the profession with reasonable judgment, skill, or safety.

(17) Solicitation of professional services by using false or misleading advertising.

(18) A finding that licensure has been applied for or

obtained by fraudulent means.

(19) Practicing or attempting to practice under a name other than the full name as shown on the license or any other legally authorized name unless approved by the Department.

(20) Gross overcharging for professional services including, but not limited to, (i) collection of fees or moneys for services that are not rendered; and (ii) charging for services that are not in accordance with the contract between the licensee and the community association.

(21) Improper commingling of personal and client funds in violation of this Act or any rules promulgated thereto.

(22) Failing to account for or remit any moneys or documents coming into the licensee's possession that belong to another person or entity.

(23) Giving differential treatment to a person that is to that person's detriment on the basis of race, color, sex, ancestry, age, order of protection status, marital status, physical or mental disability, military status, unfavorable discharge from military status, sexual orientation, pregnancy, religion, or national origin.

(24) Performing and charging for services without reasonable authorization to do so from the person or entity for whom service is being provided.

(25) Failing to make available to the Department, upon

request, any books, records, or forms required by this Act.

(26) Purporting to be a designated community association manager of a firm without active participation in the firm and having been designated as such.

(27) Failing to make available to the Department at the time of the request any indicia of licensure issued under this Act.

(28) Failing to maintain and deposit funds belonging to a community association in accordance with subsection (b) of Section 55 of this Act.

(29) Violating the terms of any ~~a disciplinary~~ order issued by the Department.

(30) Operating a community association management firm without a designated community association manager who holds an active community association manager license.

(31) For a designated community association manager, failing to meet the requirements for acting as a designated community association manager.

(32) Failing to disclose to a community association any compensation received by a licensee from a third party in connection with or related to a transaction entered into by the licensee on behalf of the community association.

(33) Failing to disclose to a community association, at the time of making the referral, that a licensee (A) has

greater than a 1% ownership interest in a third party to which it refers the community association; or (B) receives or may receive dividends or other profit sharing distributions from a third party, other than a publicly held or traded company, to which it refers the community association.

(b) (Blank).

(c) The determination by a circuit court that a licensee is subject to involuntary admission or judicial admission, as provided in the Mental Health and Developmental Disabilities Code, operates as an automatic suspension. The suspension will terminate only upon a finding by a court that the patient is no longer subject to involuntary admission or judicial admission and the issuance of an order so finding and discharging the patient, and upon the recommendation of the Board to the Secretary that the licensee be allowed to resume practice as a licensed community association manager.

(d) In accordance with subsection (g) of Section 2105-15 of the Department of Professional Regulation Law of the Civil Administrative Code of Illinois (20 ILCS 2105/2105-15), the Department may refuse to issue or renew or may suspend the license of any person who fails to file a return, to pay the tax, penalty, or interest shown in a filed return, or to pay any final assessment of tax, penalty, or interest, as required by any tax Act administered by the Department of Revenue, until such time as the requirements of that tax Act are

satisfied.

(e) In accordance with subdivision (a)(5) of Section 2105-15 of the Department of Professional Regulation Law of the Civil Administrative Code of Illinois (20 ILCS 2105/2105-15) and in cases where the Department of Healthcare and Family Services (formerly Department of Public Aid) has previously determined that a licensee or a potential licensee is more than 30 days delinquent in the payment of child support and has subsequently certified the delinquency to the Department, the Department may refuse to issue or renew or may revoke or suspend that person's license or may take other disciplinary action against that person based solely upon the certification of delinquency made by the Department of Healthcare and Family Services.

(f) (Blank).

(Source: P.A. 102-20, eff. 1-1-22.)

(225 ILCS 427/95)

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

Sec. 95. Investigation; notice and hearing. The Department may investigate the actions or qualifications of a person, which includes an entity, ~~or other business~~ applying for, holding or claiming to hold, or holding oneself out as having a license or rendering or offering to render services for which a license is required by this Act ~~and may notify their designated community association manager, if any, of the~~

~~pending investigation.~~ Before suspending, revoking, placing on probationary status, or taking any other disciplinary action as the Department may deem proper with regard to any license, at least 30 days before the date set for the hearing, the Department shall (i) notify the person charged ~~accused~~ and the person's ~~their~~ designated community association manager, if any, in writing of any charges made and the time and place for a hearing on the charges before the Board, (ii) direct the person ~~accused~~ to file a written answer to the charges with the Board under oath within 20 days after the service on the person ~~accused~~ of such notice, and (iii) inform the person ~~accused~~ that if the person ~~accused~~ fails to file an answer, default will be taken against the person ~~accused~~ and the license of the person ~~accused~~ may be suspended, revoked, placed on probationary status, or other disciplinary action taken with regard to the license, including limiting the scope, nature, or extent of related practice, as the Department may deem proper. The Department shall serve notice under this Section by regular or electronic mail to the person's ~~applicant's or licensee's~~ last address of record or email address of record as provided to the Department. If the person ~~accused~~ fails to file an answer after receiving notice, the license may, in the discretion of the Department, be suspended, revoked, or placed on probationary status, or the Department may take whatever disciplinary action deemed proper, including limiting the scope, nature, or extent of the person's practice or the

imposition of a fine, without a hearing, if the act or acts charged constitute sufficient grounds for such action under this Act. The answer shall be served by ~~personal delivery or regular mail~~ or electronic mail to the Department. At the time and place fixed in the notice, the Department shall proceed to hear the charges and the parties or their counsel shall be accorded ample opportunity to present such statements, testimony, evidence, and argument as may be pertinent to the charges or to the defense thereto. The Department may continue such hearing from time to time. At the discretion of the Secretary after having first received the recommendation of the Board, the ~~accused~~ person's license may be suspended, revoked, or placed on probationary status or the Department may take whatever disciplinary action considered proper, including limiting the scope, nature, or extent of the person's practice or the imposition of a fine if the act or acts charged constitute sufficient grounds for that action under this Act. A copy of the Department's final disciplinary order shall be delivered to the person's ~~accused's~~ designated community association manager or may be sent to the community association that, ~~if the accused is directly employs the person employed by a community association, to the board of managers of that association if known to the Department.~~

(Source: P.A. 102-20, eff. 1-1-22.)

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

Sec. 130. Restoration of ~~suspended or revoked~~ license. At any time after the successful completion of a term of suspension, ~~or~~ revocation, or probation of a license, the Department may restore it to the licensee, upon the written recommendation of the Board, unless after an investigation and a hearing the Board determines that restoration is not in the public interest.

(Source: P.A. 96-726, eff. 7-1-10.)

Section 15. The Home Inspector License Act is amended by changing Sections 5-10, 5-14, 5-16, 5-17, 15-10, 15-11, 15-15, and 25-27 as follows:

(225 ILCS 441/5-10)

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

Sec. 5-10. Application for home inspector license.

(a) Every natural person who desires to obtain a home inspector license shall:

(1) apply to the Department in a manner prescribed by the Department and accompanied by the required fee; all applications shall contain the information that, in the judgment of the Department, enables the Department to pass on the qualifications of the applicant for a license to practice as a home inspector as set by rule;

(2) be at least 18 years of age;

(3) successfully complete a 4-year course of study in a high school or secondary school or an equivalent course of study approved by the state in which the school is located, or possess a State of Illinois High School Diploma, which shall be verified under oath by the applicant;

(4) personally take and pass a written examination ~~and a field examination~~ authorized by the Department; and

(5) prior to taking the examination, provide evidence to the Department that the applicant has successfully completed the prerequisite classroom hours of instruction in home inspection, as established by rule.

(b) The Department shall not require applicants to report the following information and shall not consider the following criminal history records in connection with an application for licensure or registration:

(1) juvenile adjudications of delinquent minors as defined in Section 5-105 of the Juvenile Court Act of 1987 subject to the restrictions set forth in Section 5-130 of that Act;

(2) law enforcement records, court records, and conviction records of an individual who was 17 years old at the time of the offense and before January 1, 2014, unless the nature of the offense required the individual to be tried as an adult;

(3) records of arrest not followed by a charge or

conviction;

(4) records of arrest where the charges were dismissed unless related to the practice of the profession; however, applicants shall not be asked to report any arrests, and an arrest not followed by a conviction shall not be the basis of denial and may be used only to assess an applicant's rehabilitation;

(5) convictions overturned by a higher court; or

(6) convictions or arrests that have been sealed or expunged.

(c) An applicant or licensee shall report to the Department, in a manner prescribed by the Department, upon application and within 30 days after the occurrence, if during the term of licensure, (i) any conviction of or plea of guilty or nolo contendere to forgery, embezzlement, obtaining money under false pretenses, larceny, extortion, conspiracy to defraud, or any similar offense or offenses or any conviction of a felony involving moral turpitude, (ii) the entry of an administrative sanction by a government agency in this State or any other jurisdiction that has as an essential element dishonesty or fraud or involves larceny, embezzlement, or obtaining money, property, or credit by false pretenses, or (iii) a crime that subjects the licensee to compliance with the requirements of the Sex Offender Registration Act.

(d) Applicants have 3 years after the date of the application to complete the application process. If the

process has not been completed within 3 years, the application shall be denied, the fee forfeited, and the applicant must reapply and meet the requirements in effect at the time of reapplication.

(Source: P.A. 102-20, eff. 1-1-22; 102-1100, eff. 1-1-23.)

(225 ILCS 441/5-14)

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

Sec. 5-14. Social Security Number or Individual Taxpayer Identification Number on license application. In addition to any other information required to be contained in the application, every application for an original, renewal, reinstated, or restored license under this Act shall include the applicant's Social Security Number or Individual Taxpayer Identification Number.

(Source: P.A. 97-226, eff. 7-28-11.)

(225 ILCS 441/5-16)

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

Sec. 5-16. Renewal of license.

(a) The expiration date and renewal period for a home inspector license issued under this Act shall be set by rule. Except as otherwise provided in subsections (b) and (c) of this Section, the holder of a license may renew the license within 90 days preceding the expiration date by:

(1) completing and submitting to the Department a

renewal application in a manner prescribed by the Department;

(2) paying the required fees; and

(3) providing evidence of successful completion of the continuing education requirements through courses approved by the Department given by education providers licensed by the Department, as established by rule.

(b) A home inspector whose license under this Act has expired may renew the license for a period of 2 years following the expiration date by complying with the requirements of subparagraphs (1), (2), and (3) of subsection (a) of this Section and paying any late penalties established by rule.

(c) Notwithstanding subsection (b), a home inspector whose license under this Act has expired may renew the license without paying any lapsed renewal fees or late penalties and without completing the continuing education requirements for that licensure period if ~~(i)~~ the license expired while the home inspector was (i) in federal service on active duty with the Armed Forces of the United States or called into service or training with the State Militia, (ii) in training or education under the supervision of the United States preliminary to induction into the military service, or (iii) serving as an employee of the Department and within 2 years after the termination of the service, training, or education, the licensee furnishes the Department with satisfactory evidence of service, training, or education and was terminated under

~~honorable conditions on active duty with the United States Armed Services, (ii) application for renewal is made within 2 years following the termination of the military service or related education, training, or employment, and (iii) the applicant furnishes to the Department an affidavit that the applicant was so engaged.~~

(d) The Department shall provide reasonable care and due diligence to ensure that each licensee under this Act is provided a renewal application at least 90 days prior to the expiration date, but it is the responsibility of each licensee to renew the license prior to its expiration date.

(e) The Department shall not issue or renew a license if the applicant or licensee has an unpaid fine or fee from a disciplinary matter or from a non-disciplinary action imposed by the Department until the fine or fee is paid to the Department or the applicant or licensee has entered into a payment plan and is current on the required payments.

(f) The Department shall not issue or renew a license if the applicant or licensee has an unpaid fine or civil penalty imposed by the Department for unlicensed practice until the fine or civil penalty is paid to the Department or the applicant or licensee has entered into a payment plan and is current on the required payments.

(g) A home inspector who notifies the Department, in a manner prescribed by the Department, may place the license on inactive status for a period not to exceed 2 years and shall be

excused from the payment of renewal fees until the person notifies the Department in writing of the intention to resume active practice.

(h) A home inspector requesting that the license be changed from inactive to active status shall be required to pay the current renewal fee and shall also demonstrate compliance with the continuing education requirements.

(i) No licensee with a nonrenewed or inactive license status shall provide home inspection services as set forth in this Act.

(Source: P.A. 102-20, eff. 1-1-22; 102-970, eff. 5-27-22.)

(225 ILCS 441/5-17)

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

Sec. 5-17. Renewal of home inspector license; entity.

(a) The expiration date and renewal period for a home inspector license for an entity that is not a natural person shall be set by rule. The holder of a license may renew the license within 90 days preceding the expiration date by completing and submitting to the Department a renewal application in a manner prescribed by the Department and paying the required fees.

(b) An entity that is not a natural person whose license under this Act has expired may renew the license for a period of 2 years following the expiration date by complying with the requirements of subsection (a) of this Section and paying any

late penalties established by rule.

(c) The Department shall not issue or renew a license if the applicant or licensee has an unpaid fine or fee from a disciplinary matter or from a non-disciplinary action imposed by the Department until the fine or fee is paid to the Department or the applicant or licensee has entered into a payment plan and is current on the required payments.

(d) The Department shall not issue or renew a license if the applicant or licensee has an unpaid fine or civil penalty imposed by the Department for unlicensed practice until the fine or civil penalty is paid to the Department or the applicant or licensee has entered into a payment plan and is current on the required payments.

(Source: P.A. 102-20, eff. 1-1-22; 102-970, eff. 5-27-22.)

(225 ILCS 441/15-10)

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

Sec. 15-10. Grounds for disciplinary action.

(a) The Department may refuse to issue or renew, or may revoke, suspend, place on probation, reprimand, or take other disciplinary or non-disciplinary action as the Department may deem appropriate, including imposing fines not to exceed \$25,000 for each violation upon any licensee or applicant under this Act or any person or entity who holds oneself out as an applicant or licensee, ~~with regard to any license~~ for any one or combination of the following:

(1) Fraud or misrepresentation in applying for, or procuring a license under this Act or in connection with applying for renewal of a license under this Act.

(2) Failing to meet the minimum qualifications for licensure as a home inspector established by this Act.

(3) Paying money, other than for the fees provided for by this Act, or anything of value to an employee of the Department to procure licensure under this Act.

(4) Conviction of, or plea of guilty or nolo contendere, or finding as enumerated in subsection (c) of Section 5-10, under the laws of any jurisdiction of the United States: (i) that is a felony, misdemeanor, or administrative sanction, or (ii) that is a crime that subjects the licensee to compliance with the requirements of the Sex Offender Registration Act.

(5) Committing an act or omission involving dishonesty, fraud, or misrepresentation with the intent to substantially benefit the licensee or another person or with the intent to substantially injure another person.

(6) Violating a provision or standard for the development or communication of home inspections as provided in Section 10-5 of this Act or as defined in the rules.

(7) Failing or refusing to exercise reasonable diligence in the development, reporting, or communication of a home inspection report, as defined by this Act or the

rules.

(8) Violating a provision of this Act or the rules.

(9) Having been disciplined by another state, the District of Columbia, a territory, a foreign nation, a governmental agency, or any other entity authorized to impose discipline if at least one of the grounds for that discipline is the same as or substantially equivalent to one of the grounds for which a licensee may be disciplined under this Act.

(10) Engaging in dishonorable, unethical, or unprofessional conduct of a character likely to deceive, defraud, or harm the public.

(11) Accepting an inspection assignment when the employment itself is contingent upon the home inspector reporting a predetermined analysis or opinion, or when the fee to be paid is contingent upon the analysis, opinion, or conclusion reached or upon the consequences resulting from the home inspection assignment.

(12) Developing home inspection opinions or conclusions based on the race, color, religion, sex, national origin, ancestry, age, marital status, family status, physical or mental disability, military status, unfavorable discharge from military status, sexual orientation, order of protection status, ~~or~~ pregnancy, or any other protected class as defined under the Illinois Human Rights Act, of the prospective or present owners or

occupants of the area or property under home inspection.

(13) Being adjudicated liable in a civil proceeding on grounds of fraud, misrepresentation, or deceit. In a disciplinary proceeding based upon a finding of civil liability, the home inspector shall be afforded an opportunity to present mitigating and extenuating circumstances, but may not collaterally attack the civil adjudication.

(14) Being adjudicated liable in a civil proceeding for violation of a State or federal fair housing law.

(15) Engaging in misleading or untruthful advertising or using a trade name or insignia of membership in a home inspection organization of which the licensee is not a member.

(16) Failing, within 30 days, to provide information in response to a written request made by the Department.

(17) Failing to include within the home inspection report the home inspector's license number and the date of expiration of the license. The names of (i) all persons who conducted the home inspection; and (ii) all persons who prepared the subsequent written evaluation or any part thereof must be disclosed in the report. It is a violation of this Act for a home inspector to sign a home inspection report knowing that the names of all such persons have not been disclosed in the home inspection report.

(18) Advising a client as to whether the client should

or should not engage in a transaction regarding the residential real property that is the subject of the home inspection.

(19) Performing a home inspection in a manner that damages or alters the residential real property that is the subject of the home inspection without the consent of the owner.

(20) Performing a home inspection when the home inspector is providing or may also provide other services in connection with the residential real property or transaction, or has an interest in the residential real property, without providing prior written notice of the potential or actual conflict and obtaining the prior consent of the client as provided by rule.

(21) Aiding or assisting another person in violating any provision of this Act or rules adopted under this Act.

(22) Inability to practice with reasonable judgment, skill, or safety as a result of habitual or excessive use or addiction to alcohol, narcotics, stimulants, or any other chemical agent or drug.

(23) A finding by the Department that the licensee, after having the license placed on probationary status, has violated the terms of probation.

(24) Willfully making or filing false records or reports related to the practice of home inspection, including, but not limited to, false records filed with

State agencies or departments.

(25) Charging for professional services not rendered, including filing false statements for the collection of fees for which services are not rendered.

(26) Practicing under a false or, except as provided by law, an assumed name.

(27) Cheating on or attempting to subvert the licensing examination administered under this Act.

(28) Engaging in any of the following prohibited fraudulent, false, deceptive, or misleading advertising practices:

(i) advertising as a home inspector or operating a home inspection business entity unless there is a duly licensed home inspector responsible for all inspection activities and all inspections;

(ii) advertising that contains a misrepresentation of facts or false statements regarding the licensee's professional achievements, degrees, training, skills, or qualifications in the home inspection profession or any other profession requiring licensure;

(iii) advertising that makes only a partial disclosure of relevant facts related to pricing or home inspection services; and

(iv) advertising that claims this State or any of its political subdivisions endorse the home inspection report or its contents.

(29) Disclosing, except as otherwise required by law, inspection results or client information obtained without the client's written consent. A home inspector shall not deliver a home inspection report to any person other than the client of the home inspector without the client's written consent.

(30) Providing fees, gifts, waivers of liability, or other forms of compensation or gratuities to persons licensed under any real estate professional licensing act in this State as consideration or inducement for the referral of business.

(31) Violating the terms of any order issued by the Department.

(b) The Department may suspend, revoke, or refuse to issue or renew an education provider's license, may reprimand, place on probation, or otherwise discipline an education provider licensee, and may suspend or revoke the course approval of any course offered by an education provider, for any of the following:

(1) Procuring or attempting to procure licensure by knowingly making a false statement, submitting false information, making any form of fraud or misrepresentation, or refusing to provide complete information in response to a question in an application for licensure.

(2) Failing to comply with the covenants certified to

on the application for licensure as an education provider.

(3) Committing an act or omission involving dishonesty, fraud, or misrepresentation or allowing any such act or omission by any employee or contractor under the control of the education provider.

(4) Engaging in misleading or untruthful advertising.

(5) Failing to retain competent instructors in accordance with rules adopted under this Act.

(6) Failing to meet the topic or time requirements for course approval as the provider of a pre-license curriculum course or a continuing education course.

(7) Failing to administer an approved course using the course materials, syllabus, and examinations submitted as the basis of the course approval.

(8) Failing to provide an appropriate classroom environment for presentation of courses, with consideration for student comfort, acoustics, lighting, seating, workspace, and visual aid material.

(9) Failing to maintain student records in compliance with the rules adopted under this Act.

(10) Failing to provide a certificate, transcript, or other student record to the Department or to a student as may be required by rule.

(11) Failing to fully cooperate with a Department investigation by knowingly making a false statement, submitting false or misleading information, or refusing to

provide complete information in response to written interrogatories or a written request for documentation within 30 days of the request.

(c) (Blank).

(d) The Department may refuse to issue or may suspend without hearing, as provided for in the Code of Civil Procedure, the license of any person who fails to file a tax return, to pay the tax, penalty, or interest shown in a filed tax return, or to pay any final assessment of tax, penalty, or interest, as required by any tax Act administered by the Illinois Department of Revenue, until such time as the requirements of the tax Act are satisfied in accordance with subsection (g) of Section 2105-15 of the Civil Administrative Code of Illinois.

(e) (Blank).

(f) In cases where the Department of Healthcare and Family Services has previously determined that a licensee or a potential licensee is more than 30 days delinquent in the payment of child support and has subsequently certified the delinquency to the Department, the Department may refuse to issue or renew or may revoke or suspend that person's license or may take other disciplinary action against that person based solely upon the certification of delinquency made by the Department of Healthcare and Family Services in accordance with item (5) of subsection (a) of Section 2105-15 of the Civil Administrative Code of Illinois.

(g) The determination by a circuit court that a licensee is subject to involuntary admission or judicial admission, as provided in the Mental Health and Developmental Disabilities Code, operates as an automatic suspension. The suspension will end only upon a finding by a court that the patient is no longer subject to involuntary admission or judicial admission and the issuance of a court order so finding and discharging the patient.

(h) (Blank).

(Source: P.A. 102-20, eff. 1-1-22.)

(225 ILCS 441/15-11)

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

Sec. 15-11. Illegal discrimination. When there has been an adjudication in a civil or criminal proceeding that a licensee has illegally discriminated while engaged in any activity for which a license is required under this Act, the Department, upon the determination by ~~recommendation of~~ the Secretary Board as to the extent of the suspension or revocation, shall suspend or revoke the license of that licensee in a timely manner, unless the adjudication is in the appeal process. When there has been an order in an administrative proceeding finding that a licensee has illegally discriminated while engaged in any activity for which a license is required under this Act, the Department, upon the determination by ~~recommendation of~~ the Secretary Board as to the nature and

extent of the discipline, shall take one or more of the disciplinary actions provided for in Section 15-10 of this Act in a timely manner, unless the administrative order is in the appeal process.

(Source: P.A. 102-970, eff. 5-27-22.)

(225 ILCS 441/15-15)

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

Sec. 15-15. Investigation; notice; hearing. The Department may investigate the actions of any person who is an applicant, ~~or licensee,~~ ~~or of any~~ person or persons rendering or offering to render home inspection services, or any person holding or claiming to hold a license as a home inspector. The Department shall, before refusing to issue or renew a license or to discipline a person licensee pursuant to Section 15-10, at least 30 days prior to the date set for the hearing, (i) notify the person charged accused in writing and the person's managing licensed home inspector, if any, of the charges made and the time and place for the hearing on the charges, (ii) direct the person licensee or applicant to file a written answer with the Department under oath within 20 days after the service of the notice, and (iii) inform the person applicant or licensee that failure to file an answer will result in a default ~~judgment being~~ entered against the person applicant or licensee. At the time and place fixed in the notice, the Department shall proceed to hear the charges and the parties

of their counsel shall be accorded ample opportunity to present any pertinent statements, testimony, evidence, and arguments. The Department may continue the hearing from time to time. In case the person, after receiving the notice, fails to file an answer, the license, may, in the discretion of the Department, be revoked, suspended, placed on probationary status, or the Department may take whatever disciplinary actions considered proper, including limiting the scope, nature, or extent of the person's practice or the imposition of a fine, without a hearing, if the act or acts charged constitute sufficient grounds for that action under the Act. The notice may be served by ~~personal delivery, by~~ mail, or, at the discretion of the Department, by electronic means to the address of record or email address of record specified by the person accused as last updated with the Department.

A copy of the hearing officer's report or any Order of Default, along with a copy of the original complaint giving rise to the action, shall be served upon the ~~applicant, licensee, or unlicensed~~ person by the Department ~~to the applicant, licensee, or unlicensed individual~~ in the manner provided in this Act for the service of a notice of hearing. Within 20 days after service, the person applicant or licensee may present to the Department a motion in writing for a rehearing, which shall specify the particular grounds for rehearing. If the person orders from the reporting service and pays for a transcript of the record within the time for filing

a motion for rehearing, then the 20-day period during which a motion may be filed shall commence upon the delivery of the transcript to the applicant or licensee. The Department may respond to the motion, or if a motion for rehearing is denied, then upon denial, the Secretary may enter an order in accordance with the recommendations of the hearing officer. A copy of the Department's final disciplinary order shall be delivered to the person and the person's managing home inspector, if any. ~~If the applicant or licensee orders from the reporting service and pays for a transcript of the record within the time for filing a motion for rehearing, then the 20-day period during which a motion may be filed shall commence upon the delivery of the transcript to the applicant or licensee.~~

(Source: P.A. 102-20, eff. 1-1-22.)

(225 ILCS 441/25-27)

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

Sec. 25-27. Subpoenas; depositions; oaths.

(a) The Department may subpoena and bring before it any person to take oral or written testimony or compel the production of any books, papers, records, or any other documents the Secretary or the Secretary's designee deems relevant or material to any investigation or hearing conducted by the Department with the same fees and in the same manner as prescribed in civil cases in the courts of this State.

(b) Any circuit court, upon the application of the licensee or the Department, may order the attendance and testimony of witnesses and the production of relevant documents, files, records, books, and papers in connection with any hearing or investigation. The circuit court may compel obedience to its order by proceedings for contempt.

(c) The Secretary or the Secretary's designee, the hearing officer, ~~any member of the Board~~, or a certified shorthand court reporter may administer oaths at any hearing the Department conducts. Notwithstanding any other statute or Department rule to the contrary, all requests for testimony, production of documents, or records shall be in accordance with this Act.

(Source: P.A. 102-20, eff. 1-1-22.)

Section 20. The Real Estate License Act of 2000 is amended by changing Sections 1-10, 5-6, 5-10, 5-20, 5-29, 5-50, 5-60, 5-75, 10-25, 10-30, 20-20, 20-20.1, 20-22, 20-23, 20-25, 20-60, 20-69, 20-72, 25-10, and 25-25 and by adding Section 20-21.1 as follows:

(225 ILCS 454/1-10)

(Section scheduled to be repealed on January 1, 2030)

Sec. 1-10. Definitions. In this Act, unless the context otherwise requires:

"Act" means the Real Estate License Act of 2000.

"Address of record" means the designated address recorded by the Department in the applicant's or licensee's application file or license file as maintained by the Department.

"Agency" means a relationship in which a broker or licensee, whether directly or through an affiliated licensee, represents a consumer by the consumer's consent, whether express or implied, in a real property transaction.

"Applicant" means any person, as defined in this Section, who applies to the Department for a valid license as a managing broker, broker, or residential leasing agent.

"Blind advertisement" means any real estate advertisement that is used by a licensee regarding the sale or lease of real estate, licensed activities, or the hiring of any licensee under this Act that does not include the sponsoring broker's complete business name or, in the case of electronic advertisements, does not provide a direct link to a display with all the required disclosures. The broker's business name in the case of a franchise shall include the franchise affiliation as well as the name of the individual firm.

"Board" means the Real Estate Administration and Disciplinary Board of the Department as created by Section 25-10 of this Act.

"Broker" means an individual, entity, corporation, foreign or domestic partnership, limited liability company, registered limited liability partnership, or other business entity other than a residential leasing agent who, whether in person or

through any media or technology, for another and for compensation, or with the intention or expectation of receiving compensation, either directly or indirectly:

(1) Sells, exchanges, purchases, rents, or leases real estate.

(2) Offers to sell, exchange, purchase, rent, or lease real estate.

(3) Negotiates, offers, attempts, or agrees to negotiate the sale, exchange, purchase, rental, or leasing of real estate.

(4) Lists, offers, attempts, or agrees to list real estate for sale, rent, lease, or exchange.

(5) Whether for another or themselves, engages in a pattern of business of buying, selling, offering to buy or sell, marketing for sale, exchanging, or otherwise dealing in contracts, including assignable contracts for the purchase or sale of, or options on real estate or improvements thereon. For purposes of this definition, an individual or entity will be found to have engaged in a pattern of business if the individual or entity by itself or with any combination of other individuals or entities, whether as partners or common owners in another entity, has engaged in one or more of these practices on 2 or more occasions in any 12-month period.

(6) Supervises the collection, offer, attempt, or agreement to collect rent for the use of real estate.

(7) Advertises or represents oneself as being engaged in the business of buying, selling, exchanging, renting, or leasing real estate.

(8) Assists or directs in procuring or referring of leads or prospects, intended to result in the sale, exchange, lease, or rental of real estate.

(9) Assists or directs in the negotiation of any transaction intended to result in the sale, exchange, lease, or rental of real estate.

(10) Opens real estate to the public for marketing purposes.

(11) Sells, rents, leases, or offers for sale or lease real estate at auction.

(12) Prepares or provides a broker price opinion or comparative market analysis as those terms are defined in this Act, pursuant to the provisions of Section 10-45 of this Act.

"Brokerage agreement" means a written or oral agreement between a sponsoring broker and a consumer for licensed activities, or the performance of future licensed activities, to be provided to a consumer in return for compensation or the right to receive compensation from another. Brokerage agreements may constitute either a bilateral or a unilateral agreement between the broker and the broker's client depending upon the content of the brokerage agreement. All exclusive brokerage agreements shall be in writing.

"Broker price opinion" means an estimate or analysis of the probable selling price of a particular interest in real estate, which may provide a varying level of detail about the property's condition, market, and neighborhood and information on comparable sales. The activities of a real estate broker or managing broker engaging in the ordinary course of business as a broker, as defined in this Section, shall not be considered a broker price opinion if no compensation is paid to the broker or managing broker, other than compensation based upon the sale or rental of real estate. A broker price opinion shall not be considered an appraisal within the meaning of the Real Estate Appraiser Licensing Act of 2002, any amendment to that Act, or any successor Act.

"Client" means a person who is being represented by a licensee.

"Comparative market analysis" means an analysis or opinion regarding pricing, marketing, or financial aspects relating to a specified interest or interests in real estate that may be based upon an analysis of comparative market data, the expertise of the real estate broker or managing broker, and such other factors as the broker or managing broker may deem appropriate in developing or preparing such analysis or opinion. The activities of a real estate broker or managing broker engaging in the ordinary course of business as a broker, as defined in this Section, shall not be considered a comparative market analysis if no compensation is paid to the

broker or managing broker, other than compensation based upon the sale or rental of real estate. A comparative market analysis shall not be considered an appraisal within the meaning of the Real Estate Appraiser Licensing Act of 2002, any amendment to that Act, or any successor Act.

"Compensation" means the valuable consideration given by one person or entity to another person or entity in exchange for the performance of some activity or service. Compensation shall include the transfer of valuable consideration, including without limitation the following:

- (1) commissions;
- (2) referral fees;
- (3) bonuses;
- (4) prizes;
- (5) merchandise;
- (6) finder fees;
- (7) performance of services;
- (8) coupons or gift certificates;
- (9) discounts;
- (10) rebates;
- (11) a chance to win a raffle, drawing, lottery, or similar game of chance not prohibited by any other law or statute;
- (12) retainer fee; or
- (13) salary.

"Confidential information" means information obtained by a

licensee from a client during the term of a brokerage agreement that (i) was made confidential by the written request or written instruction of the client, (ii) deals with the negotiating position of the client, or (iii) is information the disclosure of which could materially harm the negotiating position of the client, unless at any time:

(1) the client permits the disclosure of information given by that client by word or conduct;

(2) the disclosure is required by law; or

(3) the information becomes public from a source other than the licensee.

"Confidential information" shall not be considered to include material information about the physical condition of the property.

"Consumer" means a person or entity seeking or receiving licensed activities.

"Coordinator" means the Coordinator of Real Estate created in Section 25-15 of this Act.

"Credit hour" means 50 minutes of instruction in course work that meets the requirements set forth in rules adopted by the Department.

"Customer" means a consumer who is not being represented by the licensee.

"Department" means the Department of Financial and Professional Regulation.

"Designated agency" means a contractual relationship

between a sponsoring broker and a client under Section 15-50 of this Act in which one or more licensees associated with or employed by the broker are designated as agent of the client.

"Designated agent" means a sponsored licensee named by a sponsoring broker as the legal agent of a client, as provided for in Section 15-50 of this Act.

"Designated managing broker" means a managing broker who has supervisory responsibilities for licensees in one or, in the case of a multi-office company, more than one office and who has been appointed as such by the sponsoring broker registered with the Department.

"Director" means the Director of Real Estate within the Department of Financial and Professional Regulation.

"Dual agency" means an agency relationship in which a licensee is representing both buyer and seller or both landlord and tenant in the same transaction. When the agency relationship is a designated agency, the question of whether there is a dual agency shall be determined by the agency relationships of the designated agent of the parties and not of the sponsoring broker.

"Education provider" means a school licensed by the Department offering courses in pre-license, post-license, or continuing education required by this Act.

"Employee" or other derivative of the word "employee", when used to refer to, describe, or delineate the relationship between a sponsoring broker and a managing broker, broker, or

a residential leasing agent, shall be construed to include an independent contractor relationship, provided that a written agreement exists that clearly establishes and states the relationship.

"Escrow moneys" means all moneys, promissory notes, or any other type or manner of legal tender or financial consideration deposited with any person for the benefit of the parties to the transaction. A transaction exists once an agreement has been reached and an accepted real estate contract signed or lease agreed to by the parties. "Escrow moneys" includes, without limitation, earnest moneys and security deposits, except those security deposits in which the person holding the security deposit is also the sole owner of the property being leased and for which the security deposit is being held.

"Electronic means of proctoring" means a methodology providing assurance that the person taking a test and completing the answers to questions is the person seeking licensure or credit for continuing education and is doing so without the aid of a third party or other device.

"Exclusive brokerage agreement" means a written brokerage agreement that provides that the sponsoring broker has the sole right, through one or more sponsored licensees, to act as the exclusive agent or representative of the client and that meets the requirements of Section 15-75 of this Act.

"Inactive" means a status of licensure where the licensee

holds a current license under this Act, but the licensee is prohibited from engaging in licensed activities because the licensee is unsponsored or the license of the sponsoring broker with whom the licensee is associated or by whom the licensee is employed is currently expired, revoked, suspended, or otherwise rendered invalid under this Act. The license of any business entity that is not in good standing with the Illinois Secretary of State, or is not authorized to conduct business in Illinois, shall immediately become inactive and that entity shall be prohibited from engaging in any licensed activities.

"Leads" means the name or names of a potential buyer, seller, lessor, lessee, or client of a licensee.

"License" means the privilege conferred by the Department to a person that has fulfilled all requirements prerequisite to any type of licensure under this Act.

"Licensed activities" means those activities listed in the definition of "broker" under this Section.

"Licensee" means any person licensed under this Act.

"Listing presentation" means any communication, written or oral and by any means or media, between a managing broker or broker and a consumer in which the licensee is attempting to secure a brokerage agreement with the consumer to market the consumer's real estate for sale or lease.

"Managing broker" means a licensee who may be authorized to assume responsibilities as a designated managing broker for

licensees in one or, in the case of a multi-office company, more than one office, upon appointment by the sponsoring broker and registration with the Department. A managing broker may act as one's own sponsor.

"Medium of advertising" means any method of communication intended to influence the general public to use or purchase a particular good or service or real estate, including, but not limited to, print, electronic, social media, and digital forums.

"Office" means a broker's place of business where the general public is invited to transact business and where records may be maintained and licenses readily available, whether or not it is the broker's principal place of business.

"Person" means and includes individuals, entities, corporations, limited liability companies, registered limited liability partnerships, foreign and domestic partnerships, and other business entities, except that when the context otherwise requires, the term may refer to a single individual or other described entity.

"Proctor" means any person, including, but not limited to, an instructor, who has a written agreement to administer examinations fairly and impartially with a licensed education provider.

"Real estate" means and includes leaseholds as well as any other interest or estate in land, whether corporeal, incorporeal, freehold, or non-freehold and whether the real

estate is situated in this State or elsewhere. "Real estate" does not include property sold, exchanged, or leased as a timeshare or similar vacation item or interest, vacation club membership, or other activity formerly regulated under the Real Estate Timeshare Act of 1999 (repealed).

"Regular employee" means a person working an average of 20 hours per week for a person or entity who would be considered as an employee under the Internal Revenue Service rules for classifying workers.

"Renewal period" means the period beginning 90 days prior to the expiration date of a license.

"Residential leasing agent" means a person who is employed by a broker to engage in licensed activities limited to leasing residential real estate who has obtained a license as provided for in Section 5-5 of this Act.

"Secretary" means the Secretary of the Department of Financial and Professional Regulation, or a person authorized by the Secretary to act in the Secretary's stead.

"Sponsoring broker" means the broker who certifies to the Department the broker's ~~his, her, or its~~ sponsorship of a licensed managing broker, broker, or a residential leasing agent.

"Sponsorship" means that a sponsoring broker has certified to the Department that a managing broker, broker, or residential leasing agent is employed by or associated by written agreement with the sponsoring broker and the

Department has registered the sponsorship, as provided for in Section 5-40 of this Act.

"Team" means any 2 or more licensees who work together to provide real estate brokerage services, represent themselves to the public as being part of a team or group, are identified by a team name that is different than their sponsoring broker's name, and together are supervised by the same managing broker and sponsored by the same sponsoring broker. "Team" does not mean a separately organized, incorporated, or legal entity.

(Source: P.A. 101-357, eff. 8-9-19; 102-970, eff. 5-27-22.)

(225 ILCS 454/5-6)

(Section scheduled to be repealed on January 1, 2030)

Sec. 5-6. Social Security Number or Individual Taxpayer
~~Tax~~ Identification Number on license application. In addition to any other information required to be contained in the application, every application for an original license under this Act shall include the applicant's Social Security Number or Tax Identification Number, which shall be retained in the agency's records pertaining to the license. An applicant may provide an Individual Taxpayer Identification Number as an alternative to providing a Social Security Number when applying for a license. As soon as practical, the Department shall assign a separate and distinct identification number to each applicant for a license.

Every application for a renewal or restored license shall require the applicant's identification number.

(Source: P.A. 101-357, eff. 8-9-19.)

(225 ILCS 454/5-10)

(Section scheduled to be repealed on January 1, 2030)

Sec. 5-10. Requirements for license as a residential leasing agent; continuing education.

(a) Every applicant for licensure as a residential leasing agent must meet the following qualifications:

(1) be at least 18 years of age;

(2) be of good moral character;

(3) successfully complete a 4-year course of study in a high school or secondary school or an equivalent course of study approved by the state in which the school is located, or possess a State of Illinois High School Diploma, which shall be verified under oath by the applicant;

(4) personally take and pass a written examination authorized by the Department sufficient to demonstrate the applicant's knowledge of the provisions of this Act relating to residential leasing agents and the applicant's competence to engage in the activities of a licensed residential leasing agent;

(5) provide satisfactory evidence of having completed 15 hours of instruction in an approved course of study

relating to the leasing of residential real property. The Board may recommend to the Department the number of hours each topic of study shall require. The course of study shall, among other topics, cover the provisions of this Act applicable to residential leasing agents; fair housing and human rights issues relating to residential leasing; advertising and marketing issues; leases, applications, and credit and criminal background reports; owner-tenant relationships and owner-tenant laws; the handling of funds; and environmental issues relating to residential real property;

(6) complete any other requirements as set forth by rule; and

(7) present a valid application for issuance of an initial license accompanied by fees specified by rule.

(b) No applicant shall engage in any of the activities covered by this Act without a valid license and until a valid sponsorship has been registered with the Department.

(c) ~~Successfully completed course work, completed pursuant to the requirements of this Section, may be applied to the course work requirements to obtain a managing broker's or broker's license as provided by rule.~~ The Board may recommend to the Department and the Department may adopt requirements for approved courses, course content, and the approval of courses, instructors, and education providers, as well as education provider and instructor fees. The Department may

establish continuing education requirements for residential licensed leasing agents, by rule, consistent with the language and intent of this Act, with the advice of the Board.

(d) The continuing education requirement for residential leasing agents shall consist of a single core curriculum to be prescribed by the Department as recommended by the Board. Leasing agents shall be required to complete no less than 8 hours of continuing education in the core curriculum during the current term of the license. The curriculum shall, at a minimum, consist of a single course or courses on the subjects of fair housing and human rights issues related to residential leasing, advertising and marketing issues, leases, applications, credit reports, and criminal history, the handling of funds, owner-tenant relationships and owner-tenant laws, and environmental issues relating to residential real estate.

(Source: P.A. 101-357, eff. 8-9-19; 102-970, eff. 5-27-22; 102-1100, eff. 1-1-23; revised 12-14-22.)

(225 ILCS 454/5-20)

(Section scheduled to be repealed on January 1, 2030)

Sec. 5-20. Exemptions from managing broker, broker, or residential leasing agent license requirement; Department exemption from education provider and related licenses. The requirement for holding a license under this Article 5 shall not apply to:

(1) Any person, as defined in Section 1-10, that as owner or lessor performs any of the acts described in the definition of "broker" under Section 1-10 of this Act with reference to property owned or leased by it, or to the regular employees thereof with respect to the property so owned or leased, where such acts are performed in the regular course of or as an incident to the management, sale, or other disposition of such property and the investment therein, if such regular employees do not perform any of the acts described in the definition of "broker" under Section 1-10 of this Act in connection with a vocation of selling or leasing any real estate or the improvements thereon not so owned or leased.

(2) An attorney in fact acting under a duly executed and recorded power of attorney to convey real estate from the owner or lessor or the services rendered by an attorney at law in the performance of the attorney's duty as an attorney at law.

(3) Any person acting as receiver, trustee in bankruptcy, administrator, executor, or guardian or while acting under a court order or under the authority of a will or testamentary trust.

(4) Any person acting as a resident manager for the owner or any employee acting as the resident manager for a broker managing an apartment building, duplex, or apartment complex, when the resident manager resides on

the premises, the premises is the ~~his or her~~ primary residence of the resident manager, and the resident manager is engaged in the leasing of that ~~the~~ property ~~of which he or she is the resident manager.~~

(5) Any officer or employee of a federal agency in the conduct of official duties.

(6) Any officer or employee of the State government or any political subdivision thereof performing official duties.

(7) Any multiple listing service or other similar information exchange that is engaged in the collection and dissemination of information concerning real estate available for sale, purchase, lease, or exchange for the purpose of providing licensees with a system by which licensees may cooperatively share information along with which no other licensed activities, as defined in Section 1-10 of this Act, are provided.

(8) Railroads and other public utilities regulated by the State of Illinois, or the officers or full-time employees thereof, unless the performance of any licensed activities is in connection with the sale, purchase, lease, or other disposition of real estate or investment therein that does not require the approval of the appropriate State regulatory authority.

(9) Any medium of advertising in the routine course of selling or publishing advertising along with which no

other licensed activities, as defined in Section 1-10 of this Act, are provided.

(10) Any resident lessee of a residential dwelling unit who refers for compensation to the owner of the dwelling unit, or to the owner's agent, prospective lessees of dwelling units in the same building or complex as the resident lessee's unit, but only if the resident lessee (i) refers no more than 3 prospective lessees in any 12-month period, (ii) receives compensation of no more than \$5,000 or the equivalent of 2 months' rent, whichever is less, in any 12-month period, and (iii) limits ~~his or her~~ activities to referring prospective lessees to the owner, or the owner's agent, and does not show a residential dwelling unit to a prospective lessee, discuss terms or conditions of leasing a dwelling unit with a prospective lessee, or otherwise participate in the negotiation of the leasing of a dwelling unit.

(11) The purchase, sale, or transfer of a timeshare or similar vacation item or interest, vacation club membership, or other activity formerly regulated under the Real Estate Timeshare Act of 1999 (repealed).

(12) (Blank).

(13) Any person who is licensed without examination under Section 10-25 (now repealed) of the Auction License Act is exempt from holding a managing broker's or broker's license under this Act for the limited purpose of selling

or leasing real estate at auction, so long as:

(A) that person has made application for said exemption by July 1, 2000;

(B) that person verifies to the Department that the person ~~he or she~~ has sold real estate at auction for a period of 5 years prior to licensure as an auctioneer;

(C) the person has had no lapse in the licensure ~~his or her license~~ as an auctioneer; and

(D) the license issued under the Auction License Act has not been disciplined for violation of those provisions of Article 20 of the Auction License Act dealing with or related to the sale or lease of real estate at auction.

(14) A person who holds a valid license under the Auction License Act and a valid real estate auction certification and conducts auctions for the sale of real estate under Section 5-32 of this Act.

(15) A hotel operator who is registered with the Illinois Department of Revenue and pays taxes under the Hotel Operators' Occupation Tax Act and rents a room or rooms in a hotel as defined in the Hotel Operators' Occupation Tax Act for a period of not more than 30 consecutive days and not more than 60 days in a calendar year or a person who participates in an online marketplace enabling persons to rent out all or part of the person's

owned residence.

(16) Notwithstanding any provisions to the contrary, the Department and its employees shall be exempt from education, course provider, instructor, and course license requirements and fees while acting in an official capacity on behalf of the Department. Courses offered by the Department shall be eligible for continuing education credit.

(Source: P.A. 100-534, eff. 9-22-17; 100-831, eff. 1-1-19; 101-357, eff. 8-9-19.)

(225 ILCS 454/5-29)

(Section scheduled to be repealed on January 1, 2030)

Sec. 5-29. Temporary practice as a designated managing broker. Upon the loss of a designated managing broker who is not replaced by the sponsoring broker or in the event of the death or ~~adjudicated~~ disability of a self-sponsored managing broker ~~the sole proprietor of an office~~, a written request for authorization allowing the continued operation of the office may be submitted to the Department within 15 days of the loss. The Department may issue a written authorization allowing the continued operation, provided that a licensed managing broker or, in the case of the death or ~~adjudicated~~ disability of a self-sponsored managing broker ~~sole proprietor~~, the representative of the estate, assumes responsibility, in writing, for the operation of the office and agrees to

personally supervise the operation of the office. No such written authorization shall be valid for more than 60 days unless extended by the Department for good cause shown and upon written request by the broker or representative.

(Source: P.A. 101-357, eff. 8-9-19.)

(225 ILCS 454/5-50)

(Section scheduled to be repealed on January 1, 2030)

Sec. 5-50. Expiration and renewal of managing broker, broker, or residential leasing agent license; sponsoring broker; register of licensees.

(a) The expiration date and renewal period for each license issued under this Act shall be set by rule. Except as otherwise provided in this Section, the holder of a license may renew the license within 90 days preceding the expiration date thereof by completing the continuing education required by this Act and paying the fees specified by rule.

(b) An individual whose first license is that of a broker received on or after the effective date of this amendatory Act of the 101st General Assembly, must provide evidence of having completed 45 hours of post-license education presented in a classroom or a live, interactive webinar, or online distance education course, and which shall require passage of a final examination.

The Board may recommend, and the Department shall approve, 45 hours of post-license education, consisting of three

15-hour post-license courses, one each that covers applied brokerage principles, risk management/discipline, and transactional issues. Each of the courses shall require its own 50-question final examination, which shall be administered by the education provider that delivers the course.

Individuals whose first license is that of a broker received on or after the effective date of this amendatory Act of the 101st General Assembly, must complete all three 15-hour courses and successfully pass a course final examination for each course prior to the date of the next broker renewal deadline, except for those individuals who receive their first license within the 180 days preceding the next broker renewal deadline, who must complete all three 15-hour courses and successfully pass a course final examination for each course prior to the second broker renewal deadline that follows the receipt of their license.

(c) Any managing broker, broker, or residential leasing agent whose license under this Act has expired shall be eligible to renew the license during the 2-year period following the expiration date, provided the managing broker, broker, or residential leasing agent pays the fees as prescribed by rule and completes continuing education and other requirements provided for by the Act or by rule. A managing broker, broker, or residential leasing agent whose license has been expired for more than 2 years but less than 5 years may have it restored by (i) applying to the Department,

(ii) paying the required fee, (iii) completing the continuing education requirements for the most recent term of licensure that ended prior to the date of the application for reinstatement, and (iv) filing acceptable proof of fitness to have the license restored, as set by rule. A managing broker, broker, or residential leasing agent whose license has been expired for more than 5 years shall be required to meet the requirements for a new license.

(d) Notwithstanding any other provisions of this Act to the contrary, any managing broker, broker, or residential leasing agent whose license expired while the licensee was (i) on active duty with the Armed Forces of the United States or called into service or training by the state militia, (ii) engaged in training or education under the supervision of the United States preliminary to induction into military service, or (iii) serving as the Coordinator of Real Estate in the State of Illinois or as an employee of the Department may have the license renewed, reinstated or restored without paying any lapsed renewal fees, and without completing the continuing education requirements for that licensure period if within 2 years after the termination of the service, training or education the licensee furnishes ~~by furnishing~~ the Department with satisfactory evidence of service, training, or education and termination ~~it has been terminated~~ under honorable conditions.

(e) Each licensee shall carry on one's person the license

or an electronic version thereof.

(f) The Department shall provide to the sponsoring broker a notice of renewal for all sponsored licensees by mailing the notice to the sponsoring broker's address of record, or, at the Department's discretion, emailing the notice to the sponsoring broker's email address of record.

(g) Upon request from the sponsoring broker, the Department shall make available to the sponsoring broker, by electronic means at the discretion of the Department, a listing of licensees under this Act who, according to the records of the Department, are sponsored by that broker. Every licensee associated with or employed by a broker whose license is revoked, suspended, or expired shall be considered inactive until such time as the sponsoring broker's license is reinstated or renewed, or a new valid sponsorship is registered with the Department as set forth in subsection (b) of Section 5-40 of this Act.

(h) The Department shall not issue or renew a license if the applicant or licensee has an unpaid fine or fee from a disciplinary matter or from a non-disciplinary action imposed by the Department until the fine or fee is paid to the Department or the applicant or licensee has entered into a payment plan and is current on the required payments.

(i) The Department shall not issue or renew a license if the applicant or licensee has an unpaid fine or civil penalty imposed by the Department for unlicensed practice until the

fine or civil penalty is paid to the Department or the applicant or licensee has entered into a payment plan and is current on the required payments.

(Source: P.A. 101-357, eff. 8-9-19; 102-970, eff. 5-27-22.)

(225 ILCS 454/5-60)

(Section scheduled to be repealed on January 1, 2030)

Sec. 5-60. Managing broker licensed in another state; broker licensed in another state; reciprocal agreements; agent for service of process.

(a) A managing broker's license may be issued by the Department to a managing broker or its equivalent licensed under the laws of another state of the United States, under the following conditions:

(1) the managing broker holds a managing broker's license in a state that has entered into a reciprocal agreement with the Department;

(2) the standards for that state for licensing as a managing broker are substantially equal to or greater than the minimum standards in the State of Illinois;

(3) the managing broker has been actively practicing as a managing broker in the managing broker's state of licensure for a period of not less than 2 years, immediately prior to the date of application;

(4) the managing broker furnishes the Department with a statement under seal of the proper licensing authority

of the state in which the managing broker is licensed showing that the managing broker has an active managing broker's license, that the managing broker is in good standing, and any disciplinary action taken ~~that no complaints are pending~~ against the managing broker in that state;

(5) the managing broker passes a test on Illinois specific real estate brokerage laws; and

(6) the managing broker was licensed by an examination in the state that has entered into a reciprocal agreement with the Department.

(b) A broker's license may be issued by the Department to a broker or its equivalent licensed under the laws of another state of the United States, under the following conditions:

(1) the broker holds a broker's license in a state that has entered into a reciprocal agreement with the Department;

(2) the standards for that state for licensing as a broker are substantially equivalent to or greater than the minimum standards in the State of Illinois;

(3) (blank);

(4) the broker furnishes the Department with a statement under seal of the proper licensing authority of the state in which the broker is licensed showing that the broker has an active broker's license, that the broker is in good standing, and any disciplinary action taken ~~that~~

~~no complaints are pending~~ against the broker in that state;

(5) the broker passes a test on Illinois specific real estate brokerage laws; and

(6) the broker was licensed by an examination in a state that has entered into a reciprocal agreement with the Department.

(c) (Blank).

(d) As a condition precedent to the issuance of a license to a managing broker or broker pursuant to this Section, the managing broker or broker shall agree in writing to abide by all the provisions of this Act with respect to ~~his or her~~ real estate activities within the State of Illinois and submit to the jurisdiction of the Department as provided in this Act. The agreement shall be filed with the Department and shall remain in force for so long as the managing broker or broker is licensed by this State and thereafter with respect to acts or omissions committed while licensed as a managing broker or broker in this State.

(e) Prior to the issuance of any license to any managing broker or broker pursuant to this Section, verification of active licensure issued for the conduct of such business in any other state must be filed with the Department by the managing broker or broker, and the same fees must be paid as provided in this Act for the obtaining of a managing broker's or broker's license in this State.

(f) Licenses previously granted under reciprocal agreements with other states shall remain in force so long as the Department has a reciprocal agreement with the state that includes the requirements of this Section, unless that license is suspended, revoked, or terminated by the Department for any reason provided for suspension, revocation, or termination of a resident licensee's license. Licenses granted under reciprocal agreements may be renewed in the same manner as a resident's license.

(g) Prior to the issuance of a license to a nonresident managing broker or broker, the managing broker or broker shall file with the Department, in a manner prescribed by the Department, a designation in writing that appoints the Secretary to act as ~~his or her~~ agent upon whom all judicial and other process or legal notices directed to the managing broker or broker may be served. Service upon the agent so designated shall be equivalent to personal service upon the licensee. Copies of the appointment, certified by the Secretary, shall be deemed sufficient evidence thereof and shall be admitted in evidence with the same force and effect as the original thereof might be admitted. In the written designation, the managing broker or broker shall agree that any lawful process against the licensee that is served upon the agent shall be of the same legal force and validity as if served upon the licensee and that the authority shall continue in force so long as any liability remains outstanding in this State. Upon

the receipt of any process or notice, the Secretary shall forthwith deliver a copy of the same by regular mail or email to the last known business address or email address of the licensee.

(h) Any person holding a valid license under this Section shall be eligible to obtain a managing broker's license or a broker's license without examination should that person change their state of domicile to Illinois and that person otherwise meets the qualifications for licensure under this Act.

(Source: P.A. 101-357, eff. 8-9-19.)

(225 ILCS 454/5-75)

(Section scheduled to be repealed on January 1, 2030)

Sec. 5-75. Out-of-state continuing education credit. If a renewal applicant has earned continuing education hours in another state or territory for which the applicant ~~he or she~~ is claiming credit toward full compliance in Illinois, the Department may approve those hours based upon whether the course is one that would be approved under Section 5-70 of this Act, whether the course meets the basic requirements for continuing education under this Act, and any other criteria that are provided by statute or rule.

(Source: P.A. 100-188, eff. 1-1-18; 101-357, eff. 8-9-19.)

(225 ILCS 454/10-25)

(Section scheduled to be repealed on January 1, 2030)

Sec. 10-25. Expiration of brokerage agreement. No licensee shall obtain any written brokerage agreement that does not either provide for automatic expiration within a definite period of time, and if longer than one year, ~~or~~ provide the client with a right to terminate the agreement annually by giving no more than 30 days' prior written notice. Any written brokerage agreement not containing such a provision shall be void. When the license of any sponsoring broker is suspended or revoked, any brokerage agreement with the sponsoring broker shall be deemed to expire upon the effective date of the suspension or revocation.

(Source: P.A. 98-531, eff. 8-23-13.)

(225 ILCS 454/10-30)

(Section scheduled to be repealed on January 1, 2030)

Sec. 10-30. Advertising.

(a) No advertising, whether in print, via the Internet, or through social media, digital forums, or any other media, shall be fraudulent, deceptive, inherently misleading, or proven to be misleading in practice. Advertising shall be considered misleading or untruthful if, when taken as a whole, there is a distinct and reasonable possibility that it will be misunderstood or will deceive the ordinary consumer. Advertising shall contain all information necessary to communicate the information contained therein to the public in an accurate, direct, and readily comprehensible manner. Team

names may not contain inherently misleading terms, such as "company", "realty", "real estate", "agency", "associates", "brokers", "properties", or "property".

(b) No blind advertisements may be used by any licensee, in any media, except as provided for in this Section.

(c) A licensee shall disclose, in writing, to all parties in a transaction the licensee's ~~his or her~~ status as a licensee and any and all interest the licensee has or may have in the real estate constituting the subject matter thereof, directly or indirectly, according to the following guidelines:

(1) On broker yard signs or in broker advertisements, no disclosure of ownership is necessary. However, the ownership shall be indicated on any property data form accessible to the consumer and disclosed to persons responding to any advertisement or any sign. The term "broker owned" or "agent owned" is sufficient disclosure.

(2) A sponsored or inactive licensee selling or leasing property, owned solely by the sponsored or inactive licensee, without utilizing brokerage services of their sponsoring broker or any other licensee, may advertise "By Owner". For purposes of this Section, property is "solely owned" by a sponsored or inactive licensee if the licensee ~~he or she~~ (i) has a 100% ownership interest alone, (ii) has ownership as a joint tenant or tenant by the entirety, or (iii) holds a 100% beneficial interest in a land trust. Sponsored or inactive licensees

selling or leasing "By Owner" shall comply with the following if advertising by owner:

(A) On "By Owner" yard signs, the sponsored or inactive licensee shall indicate "broker owned" or "agent owned." "By Owner" advertisements used in any medium of advertising shall include the term "broker owned" or "agent owned."

(B) If a sponsored or inactive licensee runs advertisements, for the purpose of purchasing or leasing real estate, the licensee ~~he or she~~ shall disclose in the advertisements the licensee's ~~his or her~~ status as a licensee.

(C) A sponsored or inactive licensee shall not use the sponsoring broker's name or the sponsoring broker's company name in connection with the sale, lease, or advertisement of the property nor utilize the sponsoring broker's or company's name in connection with the sale, lease, or advertising of the property in a manner likely to create confusion among the public as to whether or not the services of a real estate company are being utilized or whether or not a real estate company has an ownership interest in the property.

(d) A sponsored licensee may not advertise under the licensee's ~~his or her~~ own name. Advertising in any media shall be under the direct supervision of the sponsoring or

designated managing broker and in the sponsoring broker's business name, which in the case of a franchise shall include the franchise affiliation as well as the name of the individual firm. This provision does not apply under the following circumstances:

(1) When a licensee enters into a brokerage agreement relating to ~~his or her own~~ real estate owned by the licensee, or real estate in which the licensee ~~he or she~~ has an ownership interest, with another licensed broker; or

(2) When a licensee is selling or leasing ~~his or her own~~ real estate owned by the licensee or buying or leasing real estate for their own use ~~himself or herself~~, after providing the appropriate written disclosure of ~~his or her~~ ownership interest as required in paragraph (2) of subsection (c) of this Section.

(e) No licensee shall list the licensee's ~~his or her~~ name or otherwise advertise in the licensee's ~~his or her~~ own name to the general public through any medium of advertising as being in the real estate business without listing the ~~his or her~~ sponsoring broker's business name.

(f) The sponsoring broker's business name and the name of the licensee must appear in all advertisements, including business cards. In advertising that includes the sponsoring broker's name and a team name or individual broker's name, the sponsoring broker's business name shall be at least equal in

size or larger than the team name or that of the individual.

(g) Those individuals licensed as a managing broker and designated with the Department as a designated managing broker by their sponsoring broker shall identify themselves to the public in advertising, except on "For Sale" or similar signs, as a designated managing broker. No other individuals holding a managing broker's license may hold themselves out to the public or other licensees as a designated managing broker, but they may hold themselves out to be a managing broker.

(Source: P.A. 101-357, eff. 8-9-19.)

(225 ILCS 454/20-20)

(Section scheduled to be repealed on January 1, 2030)

Sec. 20-20. Nature of and grounds for discipline.

(a) The Department may refuse to issue or renew a license, may place on probation, suspend, or revoke any license, reprimand, or take any other disciplinary or non-disciplinary action as the Department may deem proper and impose a fine not to exceed \$25,000 for each violation upon any licensee or applicant under this Act or any person who holds oneself out as an applicant or licensee or against a licensee in handling one's own property, whether held by deed, option, or otherwise, for any one or any combination of the following causes:

(1) Fraud or misrepresentation in applying for, or procuring, a license under this Act or in connection with

applying for renewal of a license under this Act.

(2) The licensee's conviction of or plea of guilty or plea of nolo contendere, as set forth in subsection (e) of Section 5-25, to: (A) a felony or misdemeanor in this State or any other jurisdiction; (B) the entry of an administrative sanction by a government agency in this State or any other jurisdiction; or (C) any crime that subjects the licensee to compliance with the requirements of the Sex Offender Registration Act.

(3) Inability to practice the profession with reasonable judgment, skill, or safety as a result of a physical illness, mental illness, or disability.

(4) Practice under this Act as a licensee in a retail sales establishment from an office, desk, or space that is not separated from the main retail business and located within a separate and distinct area within the establishment.

(5) Having been disciplined by another state, the District of Columbia, a territory, a foreign nation, or a governmental agency authorized to impose discipline if at least one of the grounds for that discipline is the same as or the equivalent of one of the grounds for which a licensee may be disciplined under this Act. A certified copy of the record of the action by the other state or jurisdiction shall be prima facie evidence thereof.

(6) Engaging in the practice of real estate brokerage

without a license or after the licensee's license or temporary permit was expired or while the license was inactive, revoked, or suspended.

(7) Cheating on or attempting to subvert the Real Estate License Exam or a continuing education course or examination.

(8) Aiding or abetting an applicant to subvert or cheat on the Real Estate License Exam or continuing education exam administered pursuant to this Act.

(9) Advertising that is inaccurate, misleading, or contrary to the provisions of the Act.

(10) Making any substantial misrepresentation or untruthful advertising.

(11) Making any false promises of a character likely to influence, persuade, or induce.

(12) Pursuing a continued and flagrant course of misrepresentation or the making of false promises through licensees, employees, agents, advertising, or otherwise.

(13) Any misleading or untruthful advertising, or using any trade name or insignia of membership in any real estate organization of which the licensee is not a member.

(14) Acting for more than one party in a transaction without providing written notice to all parties for whom the licensee acts.

(15) Representing or attempting to represent, or performing licensed activities for, a broker other than

the sponsoring broker.

(16) Failure to account for or to remit any moneys or documents coming into the licensee's possession that belong to others.

(17) Failure to maintain and deposit in a special account, separate and apart from personal and other business accounts, all escrow moneys belonging to others entrusted to a licensee while acting as a broker, escrow agent, or temporary custodian of the funds of others or failure to maintain all escrow moneys on deposit in the account until the transactions are consummated or terminated, except to the extent that the moneys, or any part thereof, shall be:

(A) disbursed prior to the consummation or termination (i) in accordance with the written direction of the principals to the transaction or their duly authorized agents, (ii) in accordance with directions providing for the release, payment, or distribution of escrow moneys contained in any written contract signed by the principals to the transaction or their duly authorized agents, or (iii) pursuant to an order of a court of competent jurisdiction; or

(B) deemed abandoned and transferred to the Office of the State Treasurer to be handled as unclaimed property pursuant to the Revised Uniform Unclaimed Property Act. Escrow moneys may be deemed abandoned

under this subparagraph (B) only: (i) in the absence of disbursement under subparagraph (A); (ii) in the absence of notice of the filing of any claim in a court of competent jurisdiction; and (iii) if 6 months have elapsed after the receipt of a written demand for the escrow moneys from one of the principals to the transaction or the principal's duly authorized agent.

The account shall be noninterest bearing, unless the character of the deposit is such that payment of interest thereon is otherwise required by law or unless the principals to the transaction specifically require, in writing, that the deposit be placed in an interest-bearing account.

(18) Failure to make available to the Department all escrow records and related documents maintained in connection with the practice of real estate within 24 hours of a request for those documents by Department personnel.

(19) Failing to furnish copies upon request of documents relating to a real estate transaction to a party who has executed that document.

(20) Failure of a sponsoring broker or licensee to timely provide sponsorship or termination of sponsorship information to the Department.

(21) Engaging in dishonorable, unethical, or unprofessional conduct of a character likely to deceive,

defraud, or harm the public, including, but not limited to, conduct set forth in rules adopted by the Department.

(22) Commingling the money or property of others with the licensee's own money or property.

(23) Employing any person on a purely temporary or single deal basis as a means of evading the law regarding payment of commission to nonlicensees on some contemplated transactions.

(24) Permitting the use of one's license as a broker to enable a residential leasing agent or unlicensed person to operate a real estate business without actual participation therein and control thereof by the broker.

(25) Any other conduct, whether of the same or a different character from that specified in this Section, that constitutes dishonest dealing.

(26) Displaying a "for rent" or "for sale" sign on any property without the written consent of an owner or the owner's duly authorized agent or advertising by any means that any property is for sale or for rent without the written consent of the owner or the owner's authorized agent.

(27) Failing to provide information requested by the Department, or otherwise respond to that request, within 30 days of the request.

(28) Advertising by means of a blind advertisement, except as otherwise permitted in Section 10-30 of this

Act.

(29) A licensee under this Act or an unlicensed individual offering guaranteed sales plans, as defined in Section 10-50, except to the extent set forth in Section 10-50.

(30) Influencing or attempting to influence, by any words or acts, a prospective seller, purchaser, occupant, landlord, or tenant of real estate, in connection with viewing, buying, or leasing real estate, so as to promote or tend to promote the continuance or maintenance of racially and religiously segregated housing or so as to retard, obstruct, or discourage racially integrated housing on or in any street, block, neighborhood, or community.

(31) Engaging in any act that constitutes a violation of any provision of Article 3 of the Illinois Human Rights Act, whether or not a complaint has been filed with or adjudicated by the Human Rights Commission.

(32) Inducing any party to a contract of sale or lease or brokerage agreement to break the contract of sale or lease or brokerage agreement for the purpose of substituting, in lieu thereof, a new contract for sale or lease or brokerage agreement with a third party.

(33) Negotiating a sale, exchange, or lease of real estate directly with any person if the licensee knows that the person has an exclusive brokerage agreement with

another broker, unless specifically authorized by that broker.

(34) When a licensee is also an attorney, acting as the attorney for either the buyer or the seller in the same transaction in which the licensee is acting or has acted as a managing broker or broker.

(35) Advertising or offering merchandise or services as free if any conditions or obligations necessary for receiving the merchandise or services are not disclosed in the same advertisement or offer. These conditions or obligations include without limitation the requirement that the recipient attend a promotional activity or visit a real estate site. As used in this subdivision (35), "free" includes terms such as "award", "prize", "no charge", "free of charge", "without charge", and similar words or phrases that reasonably lead a person to believe that one may receive or has been selected to receive something of value, without any conditions or obligations on the part of the recipient.

(36) (Blank).

(37) Violating the terms of any ~~a disciplinary~~ order issued by the Department.

(38) Paying or failing to disclose compensation in violation of Article 10 of this Act.

(39) Requiring a party to a transaction who is not a client of the licensee to allow the licensee to retain a

portion of the escrow moneys for payment of the licensee's commission or expenses as a condition for release of the escrow moneys to that party.

(40) Disregarding or violating any provision of this Act or the published rules adopted by the Department to enforce this Act or aiding or abetting any individual, foreign or domestic partnership, registered limited liability partnership, limited liability company, corporation, or other business entity in disregarding any provision of this Act or the published rules adopted by the Department to enforce this Act.

(41) Failing to provide the minimum services required by Section 15-75 of this Act when acting under an exclusive brokerage agreement.

(42) Habitual or excessive use of or addiction to alcohol, narcotics, stimulants, or any other chemical agent or drug that results in a managing broker, broker, or residential leasing agent's inability to practice with reasonable skill or safety.

(43) Enabling, aiding, or abetting an auctioneer, as defined in the Auction License Act, to conduct a real estate auction in a manner that is in violation of this Act.

(44) Permitting any residential leasing agent or temporary residential leasing agent permit holder to engage in activities that require a broker's or managing

broker's license.

(45) Failing to notify the Department, within 30 days after the occurrence, of the information required in subsection (e) of Section 5-25.

(46) A designated managing broker's failure to provide an appropriate written company policy or failure to perform any of the duties set forth in Section 10-55.

(47) Filing liens or recording written instruments in any county in the State on noncommercial, residential real property that relate to a broker's compensation for licensed activity under the Act.

(b) The Department may refuse to issue or renew or may suspend the license of any person who fails to file a return, pay the tax, penalty or interest shown in a filed return, or pay any final assessment of tax, penalty, or interest, as required by any tax Act administered by the Department of Revenue, until such time as the requirements of that tax Act are satisfied in accordance with subsection (g) of Section 2105-15 of the Department of Professional Regulation Law of the Civil Administrative Code of Illinois.

(c) (Blank).

(d) In cases where the Department of Healthcare and Family Services (formerly Department of Public Aid) has previously determined that a licensee or a potential licensee is more than 30 days delinquent in the payment of child support and has subsequently certified the delinquency to the Department may

refuse to issue or renew or may revoke or suspend that person's license or may take other disciplinary action against that person based solely upon the certification of delinquency made by the Department of Healthcare and Family Services in accordance with item (5) of subsection (a) of Section 2105-15 of the Department of Professional Regulation Law of the Civil Administrative Code of Illinois.

(e) (Blank).

(Source: P.A. 101-81, eff. 7-12-19; 101-357, eff. 8-9-19; 102-970, eff. 5-27-22.)

(225 ILCS 454/20-20.1)

(Section scheduled to be repealed on January 1, 2030)

Sec. 20-20.1. Citations.

(a) The Department may adopt rules to permit the issuance of citations to any licensee for failure to comply with the continuing education and post-license education requirements set forth in this Act or as adopted by rule. The citation shall be issued to the licensee, and a copy shall be sent to the licensee's designated managing broker and sponsoring broker. The citation shall contain the licensee's name and address, the licensee's license number, the number of required hours of continuing education or post-license education that have not been successfully completed by the licensee's renewal deadline, and the penalty imposed, which shall not exceed \$2,000. The issuance of any such citation shall not excuse the

licensee from completing all continuing education or post-license education required for that term of licensure.

(b) Service of a citation shall be made by in person, electronically, or by mail to the licensee at the licensee's address of record or email address of record, and must clearly state that if the cited licensee wishes to dispute the citation, the cited licensee may make a written request, within 30 days after the citation is served, for a hearing before the Department. If the cited licensee does not request a hearing within 30 days after the citation is served, then the citation shall become a final, non-disciplinary order, and any fine imposed is due and payable within 60 days after that final order. If the cited licensee requests a hearing within 30 days after the citation is served, the Department shall afford the cited licensee a hearing conducted in the same manner as a hearing provided for in this Act for any violation of this Act and shall determine whether the cited licensee committed the violation as charged and whether the fine as levied is warranted. If the violation is found, any fine shall constitute non-public discipline and be due and payable within 30 days after the order of the Secretary, which shall constitute a final order of the Department. No change in license status may be made by the Department until such time as a final order of the Department has been issued.

(c) Payment of a fine that has been assessed pursuant to this Section shall not constitute disciplinary action

reportable on the Department's website or elsewhere unless a licensee has previously received 2 or more citations and has been assessed 2 or more fines.

(d) Nothing in this Section shall prohibit or limit the Department from taking further action pursuant to this Act and rules for additional, repeated, or continuing violations.

(Source: P.A. 101-357, eff. 8-9-19; 102-970, eff. 5-27-22.)

(225 ILCS 454/20-21.1 new)

Sec. 20-21.1. Injunctions; cease and desist order.

(a) If any person violates the provisions of this Act, the Secretary may, in the name of the People of the State of Illinois, through the Attorney General or the State's Attorney for any county in which the action is brought, petition for an order enjoining the violation or for an order enforcing compliance with this Act. Upon the filing of a verified petition in court, the court may issue a temporary restraining order, without notice or condition, and may preliminarily and permanently enjoin the violation. If it is established that the person has violated or is violating the injunction, the Court may punish the offender for contempt of court. Proceedings under this Section shall be in addition to, and not in lieu of, all other remedies and penalties provided by this Act.

(b) If, in the opinion of the Department, a person violates a provision of this Act, the Department may issue a

ruling to show cause why an order to cease and desist should not be entered against that person. The rule shall clearly set forth the grounds relied upon by the Department and shall allow at least 7 days from the date of the rule to file an answer to the satisfaction of the Department. Failure to answer to the satisfaction of the Department shall cause an order to cease and desist to be issued immediately.

(c) Other than as provided in Section 5-20 of this Act, if any person practices as a managing broker, broker, or residential leasing agent or holds themselves out as a licensed sponsoring broker, managing broker, broker, or residential leasing agent under this Act without being issued a valid active license by the Department, then any licensed sponsoring broker, managing broker, broker, residential leasing agent, any interested party, or any person injured thereby may, in addition to the Secretary, petition for relief as provided in subsection (a).

(225 ILCS 454/20-22)

(Section scheduled to be repealed on January 1, 2030)

Sec. 20-22. Violations. Any person who is found working or acting as a managing broker, broker, or residential leasing agent or holding oneself ~~himself or herself~~ out as a licensed sponsoring broker, managing broker, broker, or residential leasing agent without being issued a valid active license is guilty of a Class A misdemeanor and, on conviction of a second

or subsequent offense, the violator shall be guilty of a Class 4 felony.

(Source: P.A. 101-357, eff. 8-9-19.)

(225 ILCS 454/20-23)

(Section scheduled to be repealed on January 1, 2030)

Sec. 20-23. Confidentiality. All information collected by the Department in the course of an examination or investigation of a licensee or applicant, including, but not limited to, any complaint against a licensee, applicant, or any person who holds oneself ~~himself or herself~~ out as a licensee or applicant that is filed with the Department and information collected to investigate any such complaint, shall be maintained for the confidential use of the Department and shall not be disclosed. The Department may not disclose the information to anyone other than law enforcement officials, regulatory agencies that have an appropriate regulatory interest as determined by the Secretary, or a party presenting a lawful subpoena to the Department. Information and documents disclosed to a federal, State, county, or local law enforcement agency shall not be disclosed by the agency for any purpose to any other agency or person. A formal complaint filed against a licensee by the Department or any order issued by the Department against a licensee or applicant shall be a public record, except as otherwise prohibited by law.

(Source: P.A. 98-553, eff. 1-1-14.)

(225 ILCS 454/20-25)

(Section scheduled to be repealed on January 1, 2030)

Sec. 20-25. Returned checks and dishonored credit card charges; fees. Any person who (1) delivers a check or other payment to the Department that is returned to the Department unpaid by the financial institution upon which it is drawn shall pay to the Department; or (2) presents a credit or debit card for payment that is invalid or expired or against which charges by the Department are declined or dishonored, in addition to the amount already owed to the Department, a fee of \$50. The Department shall notify the person that payment of fees and fines shall be paid to the Department by certified check or money order within 30 calendar days of the notification. If, after the expiration of 30 days from the date of the notification, the person has failed to submit the necessary remittance, the Department shall automatically revoke the license or deny the application, without hearing. If, after revocation or denial, the person seeks a license, the person ~~he or she~~ shall apply to the Department for restoration or issuance of the license and pay all fees and fines due to the Department. The Department may establish a fee for the processing of an application for restoration of a license to pay all expenses of processing this application. The Secretary may waive the fees due under this Section in individual cases where the Secretary finds that the fees would

be unreasonable or unnecessarily burdensome.

(Source: P.A. 101-357, eff. 8-9-19.)

(225 ILCS 454/20-60)

(Section scheduled to be repealed on January 1, 2030)

Sec. 20-60. Investigations notice and hearing. The Department may investigate the actions of any applicant or of any person who is an applicant or person or persons rendering or offering to render services for which a license is required by this Act or any person holding or claiming to hold a license under this Act and may notify the ~~his or her~~ designated managing broker and sponsoring broker of the pending investigation. The Department shall, before revoking, suspending, placing on probation, reprimanding, or taking any other disciplinary action under Article 20 of this Act, at least 30 days before the date set for the hearing, (i) notify the person charged ~~accused~~ and the ~~his or her~~ designated managing broker and sponsoring broker in writing of the charges made and the time and place for the hearing on the charges and whether the licensee's license has been temporarily suspended pursuant to Section 20-65, (ii) direct the person ~~accused~~ to file a written answer to the charges with the Board under oath within 20 days after ~~the service on him or her~~ of the notice, and (iii) inform the person ~~accused~~ that failure if he or she fails to answer will result in a 7 default ~~will be taken against him or her~~ or that the person's ~~his or~~

~~her~~ license may be suspended, revoked, placed on probationary status, or other disciplinary action taken with regard to the license, including limiting the scope, nature, or extent of the ability to ~~his or her~~ practice, as the Department may consider proper. At the time and place fixed in the notice, the Board shall proceed to hear the charges and the parties or their counsel shall be accorded ample opportunity to present any pertinent statements, testimony, evidence, and arguments. The Board may continue the hearing from time to time. In case the person, after receiving the notice, fails to file an answer, the person's ~~his or her~~ license may, in the discretion of the Department, be suspended, revoked, placed on probationary status, or the Department may take whatever disciplinary action considered proper, including limiting the scope, nature, or extent of the person's practice or the imposition of a fine, without a hearing, if the act or acts charged constitute sufficient grounds for that action under this Act. The notice may be served by ~~personal delivery,~~ by mail, or, at the discretion of the Department, by electronic means as adopted by rule to the address or email address of record ~~specified by the accused in his or her last notification with the Department~~ and shall include notice to the designated managing broker and sponsoring broker. A copy of the Department's final disciplinary order shall be delivered to the designated managing broker and sponsoring broker.

(Source: P.A. 100-188, eff. 1-1-18; 101-357, eff. 8-9-19.)

(225 ILCS 454/20-69)

(Section scheduled to be repealed on January 1, 2030)

Sec. 20-69. Restoration of a ~~suspended or revoked~~ license. At any time after the successful completion of a term of suspension, ~~or revocation,~~ or probation of a ~~an individual's~~ license, the Department may restore it to the licensee, upon the written recommendation of the Board, unless after an investigation and a hearing the Board determines that restoration is not in the public interest.

(Source: P.A. 102-970, eff. 5-27-22.)

(225 ILCS 454/20-72)

(Section scheduled to be repealed on January 1, 2030)

Sec. 20-72. Secretary; rehearing. If the Secretary believes that substantial justice has not been done in the revocation or suspension of a license, with respect to refusal to issue, restore, or renew a license, or any other discipline of an applicant, licensee, or unlicensed person, then the Secretary ~~he or she~~ may order a rehearing by the same or other examiners.

(Source: P.A. 101-357, eff. 8-9-19.)

(225 ILCS 454/25-10)

(Section scheduled to be repealed on January 1, 2030)

Sec. 25-10. Real Estate Administration and Disciplinary Board; duties. There is created the Real Estate Administration and Disciplinary Board. The Board shall be composed of 15 persons appointed by the Governor. Members shall be appointed to the Board subject to the following conditions:

(1) All members shall have been residents and citizens of this State for at least 6 years prior to the date of appointment.

(2) Twelve members shall have been actively engaged as managing brokers or brokers or both for at least the 10 years prior to the appointment, 2 of whom must possess an active pre-license instructor license.

(3) Three members of the Board shall be public members who represent consumer interests.

None of these members shall be (i) a person who is licensed under this Act or a similar Act of another jurisdiction, (ii) the spouse or immediate family member of a licensee, or (iii) a person who has an ownership interest in a real estate brokerage business.

The members' terms shall be for 4 years and until a successor is appointed. No member shall be reappointed to the Board for a term that would cause the member's cumulative service to the Board to exceed 12 ~~10~~ years. Appointments to fill vacancies shall be for the unexpired portion of the term. Those members of the Board that satisfy the requirements of paragraph (2) shall be chosen in a manner such that no area of

the State shall be unreasonably represented. In making the appointments, the Governor shall give due consideration to the recommendations by members and organizations of the profession. The Governor may terminate the appointment of any member for cause that in the opinion of the Governor reasonably justifies the termination. Cause for termination shall include without limitation misconduct, incapacity, neglect of duty, or missing 4 board meetings during any one fiscal year. Each member of the Board may receive a per diem stipend in an amount to be determined by the Secretary. While engaged in the performance of duties, each member shall be reimbursed for necessary expenses. Such compensation and expenses shall be paid out of the Real Estate License Administration Fund. The Secretary shall consider the recommendations of the Board on questions involving standards of professional conduct, discipline, education, and policies and procedures under this Act. With regard to this subject matter, the Secretary may establish temporary or permanent committees of the Board and may consider the recommendations of the Board on matters that include, but are not limited to, criteria for the licensing and renewal of education providers, pre-license and continuing education instructors, pre-license and continuing education curricula, standards of educational criteria, and qualifications for licensure and renewal of professions, courses, and instructors. The Department, after notifying and considering the recommendations of the Board, if

any, may issue rules, consistent with the provisions of this Act, for the administration and enforcement thereof and may prescribe forms that shall be used in connection therewith. Eight Board members shall constitute a quorum. A quorum is required for all Board decisions. A vacancy in the membership of the Board shall not impair the right of a quorum to exercise all of the rights and perform all of the duties of the Board.

The Board shall elect annually, at its first meeting of the fiscal year, a vice chairperson who shall preside, with voting privileges, at meetings when the chairperson is not present. Members of the Board shall be immune from suit in an action based upon any disciplinary proceedings or other acts performed in good faith as members of the Board.

(Source: P.A. 102-970, eff. 5-27-22.)

(225 ILCS 454/25-25)

(Section scheduled to be repealed on January 1, 2030)

Sec. 25-25. Real Estate Research and Education Fund. A special fund to be known as the Real Estate Research and Education Fund is created and shall be held in trust in the State Treasury. Annually, on September 15th, the State Treasurer shall cause a transfer of \$125,000 to the Real Estate Research and Education Fund from the Real Estate License Administration Fund. The Real Estate Research and Education Fund shall be administered by the Department. Money deposited in the Real Estate Research and Education Fund may

be used for research and for education at state institutions of higher education or other organizations for research and for education to further the advancement of education in the real estate industry or can be used by the Department for expenses related to the education of licensees. Of the \$125,000 annually transferred into the Real Estate Research and Education Fund, \$15,000 shall be used to fund a scholarship program for persons of minority racial origin who wish to pursue a course of study in the field of real estate. For the purposes of this Section, "course of study" means a course or courses that are part of a program of courses in the field of real estate designed to further an individual's knowledge or expertise in the field of real estate. These courses shall include, without limitation, courses that a broker licensed under this Act must complete to qualify for a managing broker's license, courses required to obtain the Graduate Realtors Institute designation, and any other courses or programs offered by accredited colleges, universities, or other institutions of higher education in Illinois. The scholarship program shall be administered by the Department or its designee. Moneys in the Real Estate Research and Education Fund may be invested and reinvested in the same manner as funds in the Real Estate Recovery Fund and all earnings, interest, and dividends received from such investments shall be deposited in the Real Estate Research and Education Fund and may be used for the same purposes as moneys transferred to the

Real Estate Research and Education Fund. Moneys in the Real Estate Research and Education Fund may be transferred to the Professions Indirect Cost Fund as authorized under Section 2105-300 of the Department of Professional Regulation Law of the Civil Administrative Code of Illinois.

(Source: P.A. 101-357, eff. 8-9-19.)

(225 ILCS 454/25-21 rep.)

Section 25. The Real Estate License Act of 2000 is amended by repealing Section 25-21.

Section 30. The Real Estate Appraiser Licensing Act of 2002 is amended by changing Sections 1-10, 5-25, 10-5, 10-10, 15-10, 15-15, and 25-10 as follows:

(225 ILCS 458/1-10)

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

Sec. 1-10. Definitions. As used in this Act, unless the context otherwise requires:

"Accredited college or university, junior college, or community college" means a college or university, junior college, or community college that is approved or accredited by the Board of Higher Education, a regional or national accreditation association, or by an accrediting agency that is recognized by the U.S. Secretary of Education.

"Address of record" means the designated street address,

which may not be a post office box, recorded by the Department in the applicant's or licensee's application file or license file as maintained by the Department.

"Applicant" means a person who applies to the Department for a license under this Act.

"Appraisal" means (noun) the act or process of developing an opinion of value; an opinion of value (adjective) of or pertaining to appraising and related functions, such as appraisal practice or appraisal services.

"Appraisal assignment" means a valuation service provided pursuant to an agreement between an appraiser and a client.

"Appraisal firm" means an appraisal entity that is 100% owned and controlled by a person or persons licensed in Illinois as a certified general real estate appraiser or a certified residential real estate appraiser. "Appraisal firm" does not include an appraisal management company.

"Appraisal management company" means any corporation, limited liability company, partnership, sole proprietorship, subsidiary, unit, or other business entity that directly or indirectly: (1) provides appraisal management services to creditors or secondary mortgage market participants, including affiliates; (2) provides appraisal management services in connection with valuing the consumer's principal dwelling as security for a consumer credit transaction (including consumer credit transactions incorporated into securitizations); and (3) any appraisal management company that, within a given

12-month period, oversees an appraiser panel of 16 or more State-certified appraisers in Illinois or 25 or more State-certified or State-licensed appraisers in 2 or more jurisdictions. "Appraisal management company" includes a hybrid entity.

"Appraisal practice" means valuation services performed by an individual acting as an appraiser, including, but not limited to, appraisal or appraisal review.

"Appraisal qualification board (AOB)" means the independent board of the Appraisal Foundation, which, under the provisions of Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, establishes the minimum education, experience, and examination requirements for real property appraisers to obtain a state certification or license.

"Appraisal report" means any communication, written or oral, of an appraisal or appraisal review that is transmitted to a client upon completion of an assignment.

"Appraisal review" means the act or process of developing and communicating an opinion about the quality of another appraiser's work that was performed as part of an appraisal, appraisal review, or appraisal assignment.

"Appraisal Subcommittee" means the Appraisal Subcommittee of the Federal Financial Institutions Examination Council as established by Title XI.

"Appraiser" means a person who performs real estate or

real property appraisals competently and in a manner that is independent, impartial, and objective.

"Appraiser panel" means a network, list, or roster of licensed or certified appraisers approved by the appraisal management company or by the end-user client to perform appraisals as independent contractors for the appraisal management company. "Appraiser panel" includes both appraisers accepted by an appraisal management company for consideration for future appraisal assignments and appraisers engaged by an appraisal management company to perform one or more appraisals. For the purposes of determining the size of an appraiser panel, only independent contractors of hybrid entities shall be counted towards the appraiser panel.

~~"AOB" means the Appraisal Qualifications Board of the Appraisal Foundation.~~

"Associate real estate trainee appraiser" means an entry-level appraiser who holds a license of this classification under this Act with restrictions as to the scope of practice in accordance with this Act.

"Automated valuation model" means an automated system that is used to derive a property value through the use of available property records and various analytic methodologies such as comparable sales prices, home characteristics, and price changes.

"Board" means the Real Estate Appraisal Administration and Disciplinary Board.

"Broker price opinion" means an estimate or analysis of the probable selling price of a particular interest in real estate, which may provide a varying level of detail about the property's condition, market, and neighborhood and information on comparable sales. The activities of a real estate broker or managing broker engaging in the ordinary course of business as a broker, as defined in this Section, shall not be considered a broker price opinion if no compensation is paid to the broker or managing broker, other than compensation based upon the sale or rental of real estate.

"Classroom hour" means 50 minutes of instruction out of each 60-minute segment of coursework.

"Client" means the party or parties who engage an appraiser by employment or contract in a specific appraisal assignment.

"Comparative market analysis" is an analysis or opinion regarding pricing, marketing, or financial aspects relating to a specified interest or interests in real estate that may be based upon an analysis of comparative market data, the expertise of the real estate broker or managing broker, and such other factors as the broker or managing broker may deem appropriate in developing or preparing such analysis or opinion. The activities of a real estate broker or managing broker engaging in the ordinary course of business as a broker, as defined in this Section, shall not be considered a comparative market analysis if no compensation is paid to the

broker or managing broker, other than compensation based upon the sale or rental of real estate.

"Coordinator" means the Real Estate Appraisal Coordinator created in Section 25-15.

"Department" means the Department of Financial and Professional Regulation.

"Email address of record" means the designated email address recorded by the Department in the applicant's application file or the licensee's license file maintained by the Department.

"Evaluation" means a valuation permitted by the appraisal regulations of the Federal Financial Institutions Examination Council and its federal agencies for transactions that qualify for the appraisal threshold exemption, business loan exemption, or subsequent transaction exemption.

"Federal financial institutions regulatory agencies" means the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, the Consumer Financial Protection Bureau, and the National Credit Union Administration.

"Federally related transaction" means any real estate-related financial transaction in which a federal financial institutions regulatory agency engages in, contracts for, or regulates and requires the services of an appraiser.

"Financial institution" means any bank, savings bank, savings and loan association, credit union, mortgage broker,

mortgage banker, licensee under the Consumer Installment Loan Act or the Sales Finance Agency Act, or a corporate fiduciary, subsidiary, affiliate, parent company, or holding company of any such licensee, or any institution involved in real estate financing that is regulated by state or federal law.

"Hybrid entity" means an appraisal management company that hires an appraiser as an employee to perform an appraisal and engages an independent contractor to perform an appraisal.

"License" means the privilege conferred by the Department to a person that has fulfilled all requirements prerequisite to any type of licensure under this Act.

"Licensee" means any person licensed under this Act.

"Multi-state licensing system" means a web-based platform that allows an applicant to submit the application or license renewal application to the Department online.

"Person" means an individual, entity, sole proprietorship, corporation, limited liability company, partnership, and joint venture, foreign or domestic, except that when the context otherwise requires, the term may refer to more than one individual or other described entity.

"Real estate" means an identified parcel or tract of land, including any improvements.

"Real estate related financial transaction" means any transaction involving:

- (1) the sale, lease, purchase, investment in, or exchange of real property, including interests in property

or the financing thereof;

(2) the refinancing of real property or interests in real property; and

(3) the use of real property or interest in property as security for a loan or investment, including mortgage backed securities.

"Real property" means the interests, benefits, and rights inherent in the ownership of real estate.

"Secretary" means the Secretary of Financial and Professional Regulation or the Secretary's designee.

"State certified general real estate appraiser" means an appraiser who holds a license of this classification under this Act and such classification applies to the appraisal of all types of real property without restrictions as to the scope of practice.

"State certified residential real estate appraiser" means an appraiser who holds a license of this classification under this Act and such classification applies to the appraisal of one to 4 units of residential real property without regard to transaction value or complexity, but with restrictions as to the scope of practice in a federally related transaction in accordance with Title XI, the provisions of USPAP, criteria established by the AQB, and further defined by rule.

"Supervising appraiser" means either (i) an appraiser who holds a valid license under this Act as either a State certified general real estate appraiser or a State certified

residential real estate appraiser, who co-signs an appraisal report for an associate real estate trainee appraiser or (ii) a State certified general real estate appraiser who holds a valid license under this Act who co-signs an appraisal report for a State certified residential real estate appraiser on properties other than one to 4 units of residential real property without regard to transaction value or complexity.

"Title XI" means Title XI of the federal Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

"USPAP" means the Uniform Standards of Professional Appraisal Practice as promulgated by the Appraisal Standards Board pursuant to Title XI and by rule.

"Valuation services" means services pertaining to aspects of property value.

(Source: P.A. 102-20, eff. 1-1-22; 102-687, eff. 12-17-21; 102-970, eff. 5-27-22.)

(225 ILCS 458/5-25)

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

Sec. 5-25. Renewal of license.

(a) The expiration date and renewal period for a State certified general real estate appraiser license or a State certified residential real estate appraiser license issued under this Act shall be set by rule. Except as otherwise provided in subsections (b) and (f) of this Section, the holder of a license may renew the license within 90 days

preceding the expiration date by:

(1) completing and submitting to the Department, or through a multi-state licensing system as designated by the Secretary, a renewal application form as provided by the Department;

(2) paying the required fees; and

(3) providing evidence to the Department, or through a multi-state licensing system as designated by the Secretary, of successful completion of the continuing education requirements through courses approved by the Department from education providers licensed by the Department, as established by the AQB and by rule.

(b) A State certified general real estate appraiser or State certified residential real estate appraiser whose license under this Act has expired may renew the license for a period of 2 years following the expiration date by complying with the requirements of paragraphs (1), (2), and (3) of subsection (a) of this Section and paying any late penalties established by rule.

(c) (Blank).

(d) The expiration date and renewal period for an associate real estate trainee appraiser license issued under this Act shall be set by rule. Except as otherwise provided in subsections (e) and (f) of this Section, the holder of an associate real estate trainee appraiser license may renew the license within 90 days preceding the expiration date by:

(1) completing and submitting to the Department, or through a multi-state licensing system as designated by the Secretary, a renewal application form as provided by the Department;

(2) paying the required fees; and

(3) providing evidence to the Department, or through a multi-state licensing system as designated by the Secretary, of successful completion of the continuing education requirements through courses approved by the Department from education providers approved by the Department, as established by rule.

(e) Any associate real estate trainee appraiser whose license under this Act has expired may renew the license for a period of 2 years following the expiration date by complying with the requirements of paragraphs (1), (2), and (3) of subsection (d) of this Section and paying any late penalties as established by rule.

(f) Notwithstanding subsections (c) and (e), an appraiser whose license under this Act has expired may renew or convert the license without paying any lapsed renewal fees or late penalties if the license expired while the appraiser was:

(1) on active duty with the United States Armed Services;

(2) serving as the Coordinator or an employee of the Department who was required to surrender the license during the term of employment.

Application for renewal must be made within 2 years following the termination of the military service or related education, training, or employment and shall include an affidavit from the licensee of engagement.

(g) The Department shall provide reasonable care and due diligence to ensure that each licensee under this Act is provided with a renewal application at least 90 days prior to the expiration date, but timely renewal or conversion of the license prior to its expiration date is the responsibility of the licensee.

(h) The Department shall not issue or renew a license if the applicant or licensee has an unpaid fine or fee from a disciplinary matter or from a non-disciplinary action imposed by the Department until the fine or fee is paid to the Department or the applicant or licensee has entered into a payment plan and is current on the required payments.

(i) The Department shall not issue or renew a license if the applicant or licensee has an unpaid fine or civil penalty imposed by the Department for unlicensed practice until the fine or civil penalty is paid to the Department or the applicant or licensee has entered into a payment plan and is current on the required payments.

(Source: P.A. 101-81, eff. 7-12-19; 102-20, eff. 1-1-22; 102-970, eff. 5-27-22.)

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

Sec. 10-5. Scope of practice.

(a) This Act does not limit a State certified general real estate appraiser's scope of practice in a federally related transaction. A State certified general real estate appraiser may independently provide appraisal services, review, or consult related to any type of property for which there is related experience or competency by the appraiser. All such appraisal practice must be made in accordance with the provisions of USPAP, criteria established by the AQB, and rules adopted pursuant to this Act.

(b) A State certified residential real estate appraiser is limited in scope of practice to the provisions of USPAP, criteria established by the AQB, and the rules adopted pursuant to this Act.

(c) A State certified residential real estate appraiser must have a State certified general real estate appraiser who holds a valid license under this Act co-sign all appraisal reports on properties other than one to 4 units of residential real property without regard to transaction value or complexity.

(d) An associate real estate trainee appraiser is limited in scope of practice in all transactions or appraisal reports in accordance with the provisions of USPAP, this Act, and the rules adopted pursuant to this Act. ~~In addition, an~~ An associate real estate trainee appraiser shall be required to

have a State certified general real estate appraiser or State certified residential real estate appraiser who holds a valid license under this Act to co-sign all appraisal reports. A supervising appraiser may not supervise more than 3 associate real estate trainee appraisers at one time. Associate real estate trainee appraisers shall not be limited in the number of concurrent supervising appraisers. A chronological appraisal log on an approved log form shall be maintained by the associate real estate trainee appraiser and shall be made available to the Department upon request. Notwithstanding any other provision of this subsection to the contrary, the Appraisal Qualification Board may establish alternative experience requirements as an associate real estate trainee appraiser that is adopted by rule.

(Source: P.A. 102-20, eff. 1-1-22.)

(225 ILCS 458/10-10)

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

Sec. 10-10. Standards of practice. All persons licensed under this Act must comply with standards of professional appraisal practice adopted by the Department. The Department must adopt, as part of its rules, the Uniform Standards of Professional Appraisal Practice (USPAP) as published from time to time by the Appraisal Standards Board of the Appraisal Foundation. The Department shall consider federal laws and regulations, including, but not limited to, appraisal

qualification board policies and guidelines, regarding the licensure of real estate appraisers prior to adopting its rules for the administration of this Act. When an appraisal obtained through an appraisal management company is used for loan purposes, the borrower or loan applicant shall be provided with a written disclosure of the total compensation to the appraiser or appraisal firm within the body of the appraisal report and it shall not be redacted or otherwise obscured.

(Source: P.A. 102-20, eff. 1-1-22.)

(225 ILCS 458/15-10)

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

Sec. 15-10. Grounds for disciplinary action.

(a) The Department may suspend, revoke, refuse to issue, renew, or restore a license and may reprimand place on probation or administrative supervision, or take any disciplinary or non-disciplinary action, including imposing conditions limiting the scope, nature, or extent of the real estate appraisal practice of a licensee or reducing the appraisal rank of a licensee, and may impose an administrative fine not to exceed \$25,000 for each violation upon a licensee or applicant under this Act or any person who holds oneself out as an applicant or licensee for any one or combination of the following:

- (1) Procuring or attempting to procure a license by

knowingly making a false statement, submitting false information, engaging in any form of fraud or misrepresentation, or refusing to provide complete information in response to a question in an application for licensure.

(2) Failing to meet the minimum qualifications for licensure as an appraiser established by this Act.

(3) Paying money, other than for the fees provided for by this Act, or anything of value to a member or employee of the Board or the Department to procure licensure under this Act.

(4) Conviction of, or plea of guilty or nolo contendere, as enumerated in subsection (e) of Section 5-22, under the laws of any jurisdiction of the United States: (i) that is a felony, misdemeanor, or administrative sanction or (ii) that is a crime that subjects the licensee to compliance with the requirements of the Sex Offender Registration Act.

(5) Committing an act or omission involving dishonesty, fraud, or misrepresentation with the intent to substantially benefit the licensee or another person or with intent to substantially injure another person as defined by rule.

(6) Violating a provision or standard for the development or communication of real estate appraisals as provided in Section 10-10 of this Act or as defined by

rule.

(7) Failing or refusing without good cause to exercise reasonable diligence in developing, reporting, or communicating an appraisal, as defined by this Act or by rule.

(8) Violating a provision of this Act or the rules adopted pursuant to this Act.

(9) Having been disciplined by another state, the District of Columbia, a territory, a foreign nation, a governmental agency, or any other entity authorized to impose discipline if at least one of the grounds for that discipline is the same as or the equivalent of one of the grounds for which a licensee may be disciplined under this Act.

(10) Engaging in dishonorable, unethical, or unprofessional conduct of a character likely to deceive, defraud, or harm the public.

(11) Accepting an appraisal assignment when the employment itself is contingent upon the appraiser reporting a predetermined estimate, analysis, or opinion or when the fee to be paid is contingent upon the opinion, conclusion, or valuation reached or upon the consequences resulting from the appraisal assignment.

(12) Developing valuation conclusions based on the race, color, religion, sex, national origin, ancestry, age, marital status, family status, physical or mental

disability, sexual orientation, pregnancy, order of protection status, military status, ~~or~~ unfavorable military discharge, source of income, or any other protected class as defined under the Illinois Human Rights Act, of the prospective or present owners or occupants of the area or property under appraisal.

(13) Violating the confidential nature of government records to which the licensee gained access through employment or engagement as an appraiser by a government agency.

(14) Being adjudicated liable in a civil proceeding on grounds of fraud, misrepresentation, or deceit. In a disciplinary proceeding based upon a finding of civil liability, the appraiser shall be afforded an opportunity to present mitigating and extenuating circumstances, but may not collaterally attack the civil adjudication.

(15) Being adjudicated liable in a civil proceeding for violation of a state or federal fair housing law.

(16) Engaging in misleading or untruthful advertising or using a trade name or insignia of membership in a real estate appraisal or real estate organization of which the licensee is not a member.

(17) Failing to fully cooperate with a Department investigation by knowingly making a false statement, submitting false or misleading information, or refusing to provide complete information in response to written

interrogatories or a written request for documentation within 30 days of the request.

(18) Failing to include within the certificate of appraisal for all written appraisal reports the appraiser's license number and licensure title. All appraisers providing significant contribution to the development and reporting of an appraisal must be disclosed in the appraisal report. It is a violation of this Act for an appraiser to sign a report, transmittal letter, or appraisal certification knowing that a person providing a significant contribution to the report has not been disclosed in the appraisal report.

(19) Violating the terms of a disciplinary order or consent to administrative supervision order.

(20) Habitual or excessive use or addiction to alcohol, narcotics, stimulants, or any other chemical agent or drug that results in a licensee's inability to practice with reasonable judgment, skill, or safety.

(21) A physical or mental illness or disability which results in the inability to practice under this Act with reasonable judgment, skill, or safety.

(22) Gross negligence in developing an appraisal or in communicating an appraisal or failing to observe one or more of the Uniform Standards of Professional Appraisal Practice.

(23) A pattern of practice or other behavior that

demonstrates incapacity or incompetence to practice under this Act.

(24) Using or attempting to use the seal, certificate, or license of another as one's own; falsely impersonating any duly licensed appraiser; using or attempting to use an inactive, expired, suspended, or revoked license; or aiding or abetting any of the foregoing.

(25) Solicitation of professional services by using false, misleading, or deceptive advertising.

(26) Making a material misstatement in furnishing information to the Department.

(27) Failure to furnish information to the Department upon written request.

(b) The Department may reprimand suspend, revoke, or refuse to issue or renew an education provider's license, may reprimand, place on probation, or otherwise discipline an education provider and may suspend or revoke the course approval of any course offered by an education provider and may impose an administrative fine not to exceed \$25,000 upon an education provider, for any of the following:

(1) Procuring or attempting to procure licensure by knowingly making a false statement, submitting false information, engaging in any form of fraud or misrepresentation, or refusing to provide complete information in response to a question in an application for licensure.

(2) Failing to comply with the covenants certified to on the application for licensure as an education provider.

(3) Committing an act or omission involving dishonesty, fraud, or misrepresentation or allowing any such act or omission by any employee or contractor under the control of the provider.

(4) Engaging in misleading or untruthful advertising.

(5) Failing to retain competent instructors in accordance with rules adopted under this Act.

(6) Failing to meet the topic or time requirements for course approval as the provider of a qualifying curriculum course or a continuing education course.

(7) Failing to administer an approved course using the course materials, syllabus, and examinations submitted as the basis of the course approval.

(8) Failing to provide an appropriate classroom environment for presentation of courses, with consideration for student comfort, acoustics, lighting, seating, workspace, and visual aid material.

(9) Failing to maintain student records in compliance with the rules adopted under this Act.

(10) Failing to provide a certificate, transcript, or other student record to the Department or to a student as may be required by rule.

(11) Failing to fully cooperate with an investigation by the Department by knowingly making a false statement,

submitting false or misleading information, or refusing to provide complete information in response to written interrogatories or a written request for documentation within 30 days of the request.

(c) In appropriate cases, the Department may resolve a complaint against a licensee through the issuance of a Consent to Administrative Supervision order. A licensee subject to a Consent to Administrative Supervision order shall be considered by the Department as an active licensee in good standing. This order shall not be reported or considered by the Department to be a discipline of the licensee. The records regarding an investigation and a Consent to Administrative Supervision order shall be considered confidential and shall not be released by the Department except as mandated by law. ~~A complainant shall be notified if the complaint has been resolved by a Consent to Administrative Supervision order.~~

(Source: P.A. 102-20, eff. 1-1-22.)

(225 ILCS 458/15-15)

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

Sec. 15-15. Investigation; notice; hearing.

(a) Upon the motion of the Department or the Board or upon a complaint in writing of a person setting forth facts that, if proven, would constitute grounds for suspension, revocation, or other disciplinary action, the Department shall investigate the actions or qualifications of any person who is ~~against~~ a

licensee, ~~or~~ applicant for licensure, unlicensed person, person rendering or offering to render appraisal services, or holding or claiming to hold a license under this Act ~~the~~ Department shall investigate the actions of the licensee or applicant. If, upon investigation, the Department believes that there may be cause for suspension, revocation, or other disciplinary action, the Department shall use the services of a State certified general real estate appraiser, a State certified residential real estate appraiser, or the Coordinator to assist in determining whether grounds for disciplinary action exist prior to commencing formal disciplinary proceedings.

(b) Formal disciplinary proceedings shall commence upon the issuance of a written complaint describing the charges that are the basis of the disciplinary action and delivery of the detailed complaint to the address of record of the person charged ~~licensee or applicant~~. For an associate real estate trainee appraiser, a copy shall also be sent to the licensee's supervising appraiser of record. The Department shall notify the person ~~licensee or applicant~~ to file a verified written answer within 20 days after the service of the notice and complaint. The notification shall inform the person ~~licensee or applicant~~ of the right to be heard in person or by legal counsel; that the hearing will be afforded not sooner than 20 days after service of the complaint; that failure to file an answer will result in a default being entered against the

person licensee or applicant; that the license may be suspended, revoked, or placed on probationary status; and that other disciplinary action may be taken pursuant to this Act, including limiting the scope, nature, or extent of the licensee's practice. If the person licensee or applicant fails to file an answer after service of notice, the respective license may, at the discretion of the Department, be suspended, revoked, or placed on probationary status and the Department may take whatever disciplinary action it deems proper, including limiting the scope, nature, or extent of the person's practice, without a hearing.

(c) At the time and place fixed in the notice, the Board shall conduct hearing of the charges, providing both the ~~accused~~ person charged and the complainant ample opportunity to present in person or by counsel such statements, testimony, evidence, and argument as may be pertinent to the charges or to a defense thereto.

(d) The Board shall present to the Secretary a written report of its findings of fact and recommendations. A copy of the report shall be served upon the person licensee or applicant, either ~~personally~~, by mail, or, at the discretion of the Department, by electronic means. For associate real estate trainee appraisers, a copy shall also be sent to the licensee's supervising appraiser of record. Within 20 days after the service, the person licensee or applicant may present the Secretary with a motion in writing for a rehearing

and shall specify the particular grounds for the request. If the person ~~accused~~ orders a transcript of the record as provided in this Act, the time elapsing thereafter and before the transcript is ready for delivery to the person ~~accused~~ shall not be counted as part of the 20 days. If the Secretary is not satisfied that substantial justice has been done, the Secretary may order a rehearing by the Board or other special committee appointed by the Secretary, may remand the matter to the Board for its reconsideration of the matter based on the pleadings and evidence presented to the Board, or may enter a final order in contravention of the Board's recommendation. Notwithstanding a person's ~~licensee's or applicant's~~ failure to file a motion for rehearing, the Secretary shall have the right to take any of the actions specified in this subsection (d). Upon the suspension or revocation of a license, the licensee shall be required to surrender the respective license to the Department, and upon failure or refusal to do so, the Department shall have the right to seize the license.

(e) The Department has the power to issue subpoenas and subpoenas duces tecum to bring before it any person in this State, to take testimony, or to require production of any records relevant to an inquiry or hearing by the Board in the same manner as prescribed by law in judicial proceedings in the courts of this State. In a case of refusal of a witness to attend, testify, or to produce books or papers concerning a matter upon which the witness might be lawfully examined, the

circuit court of the county where the hearing is held, upon application of the Department or any party to the proceeding, may compel obedience by proceedings as for contempt.

(f) Any license that is revoked may not be restored for a minimum period of 3 years.

(g) In addition to the provisions of this Section concerning the conduct of hearings and the recommendations for discipline, the Department has the authority to negotiate disciplinary and non-disciplinary settlement agreements concerning any license issued under this Act. All such agreements shall be recorded as Consent Orders or Consent to Administrative Supervision Orders.

(h) The Secretary shall have the authority to appoint an attorney duly licensed to practice law in the State of Illinois to serve as the hearing officer in any action to suspend, revoke, or otherwise discipline any license issued by the Department. The Hearing Officer shall have full authority to conduct the hearing.

(i) The Department, at its expense, shall preserve a record of all formal hearings of any contested case involving the discipline of a license. At all hearings or pre-hearing conferences, the Department and the licensee shall be entitled to have the proceedings transcribed by a certified shorthand reporter. A copy of the transcribed proceedings shall be made available to the licensee by the certified shorthand reporter upon payment of the prevailing contract copy rate.

(Source: P.A. 102-20, eff. 1-1-22; 102-970, eff. 5-27-22.)

(225 ILCS 458/25-10)

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

Sec. 25-10. Real Estate Appraisal Administration and Disciplinary Board; appointment.

(a) There is hereby created the Real Estate Appraisal Administration and Disciplinary Board. The Board shall be composed of the Coordinator and 10 persons appointed by the Governor. Members shall be appointed to the Board subject to the following conditions:

(1) All appointed members shall have been residents and citizens of this State for at least 5 years prior to the date of appointment.

(2) The appointed membership of the Board should reasonably reflect the geographic distribution of the population of the State.

(3) Four appointed members shall have been actively engaged and currently licensed as State certified general real estate appraisers for a period of not less than 5 years.

(4) Three appointed members shall have been actively engaged and currently licensed as State certified residential real estate appraisers for a period of not less than 5 years.

(5) One appointed member shall hold a valid license as

a real estate broker for at least 3 years prior to the date of the appointment and shall hold either a valid State certified general real estate appraiser license or a valid State certified residential appraiser license issued under this Act or a predecessor Act for a period of at least 5 years prior to the appointment.

(6) One appointed member shall be a representative of a financial institution, as evidenced by proof of employment with a financial institution.

(7) One appointed member shall represent the interests of the general public. This member or the member's spouse shall not be licensed under this Act nor be employed by or have any financial interest in an appraisal business, appraisal management company, real estate brokerage business, or a financial institution.

In making appointments as provided in paragraphs (3) and (4) of this subsection, the Governor shall give due consideration to recommendations by members and organizations representing the profession.

In making the appointments as provided in paragraph (5) of this subsection, the Governor shall give due consideration to the recommendations by members and organizations representing the real estate industry.

In making the appointment as provided in paragraph (6) of this subsection, the Governor shall give due consideration to the recommendations by members and organizations representing

financial institutions.

(b) The members' terms shall be for 4 years or until a successor is appointed. No member shall be reappointed to the Board for a term that would cause the member's cumulative service to the Board to exceed 12 ~~10~~ years. Appointments to fill vacancies shall be for the unexpired portion of the term.

(c) The Governor may terminate the appointment of a member for cause that, in the opinion of the Governor, reasonably justifies the termination. Cause for termination may include, without limitation, misconduct, incapacity, neglect of duty, or missing 4 Board meetings during any one fiscal year.

(d) A majority of the Board members shall constitute a quorum. A vacancy in the membership of the Board shall not impair the right of a quorum to exercise all of the rights and perform all of the duties of the Board.

(e) The Board shall meet at least monthly and may be convened by the Chairperson, Vice-Chairperson, or 3 members of the Board upon 10 days written notice.

(f) The Board shall, annually at the first meeting of the fiscal year, elect a Chairperson and Vice-Chairperson from its members. The Chairperson shall preside over the meetings and shall coordinate with the Coordinator in developing and distributing an agenda for each meeting. In the absence of the Chairperson, the Vice-Chairperson shall preside over the meeting.

(g) The Coordinator shall serve as a member of the Board

without vote.

(h) The Board shall advise and make recommendations to the Department on the education and experience qualifications of any applicant for initial licensure as a State certified general real estate appraiser or a State certified residential real estate appraiser. The Department shall not make any decisions concerning education or experience qualifications of an applicant for initial licensure as a State certified general real estate appraiser or a State certified residential real estate appraiser without having first received the advice and recommendation of the Board and shall give due consideration to all such advice and recommendations; however, if the Board does not render advice or make a recommendation within a reasonable amount of time, then the Department may render a decision.

(i) Except as provided in Section 15-17 of this Act, the Board shall hear and make recommendations to the Secretary on disciplinary matters that require a formal evidentiary hearing. The Secretary shall give due consideration to the recommendations of the Board involving discipline and questions involving standards of professional conduct of licensees.

(j) The Department shall seek and the Board shall provide recommendations to the Department consistent with the provisions of this Act and for the administration and enforcement of all rules adopted pursuant to this Act. The

Department shall give due consideration to such recommendations prior to adopting rules.

(k) The Department shall seek and the Board shall provide recommendations to the Department on the approval of all courses submitted to the Department pursuant to this Act and the rules adopted pursuant to this Act. The Department shall not approve any courses without having first received the recommendation of the Board and shall give due consideration to such recommendations prior to approving and licensing courses; however, if the Board does not make a recommendation within a reasonable amount of time, then the Department may approve courses.

(l) Each voting member of the Board may receive a per diem stipend in an amount to be determined by the Secretary. While engaged in the performance of duties, each member shall be reimbursed for necessary expenses.

(m) Members of the Board shall be immune from suit in an action based upon any disciplinary proceedings or other acts performed in good faith as members of the Board.

(n) If the Department disagrees with any advice or recommendation provided by the Board under this Section to the Secretary or the Department, then notice of such disagreement must be provided to the Board by the Department.

(o) (Blank).

(Source: P.A. 102-20, eff. 1-1-22; 102-970, eff. 5-27-22.)

Section 35. The Appraisal Management Company Registration Act is amended by changing Sections 65, 75, and 95 as follows:

(225 ILCS 459/65)

Sec. 65. Disciplinary actions.

(a) The Department may refuse to issue or renew, or may revoke, suspend, place on probation, reprimand, or take other disciplinary or non-disciplinary action as the Department may deem appropriate, including imposing fines not to exceed \$25,000 for each violation upon any registrant or applicant under this Act or entity who holds oneself or itself out as an applicant or registrant ~~, with regard to any registration~~ for any one or combination of the following:

(1) Material misstatement in furnishing information to the Department.

(2) Violations of this Act, or of the rules adopted under this Act.

(3) Conviction of, or entry of a plea of guilty or nolo contendere to any crime that is a felony under the laws of the United States or any state or territory thereof or that is a misdemeanor of which an essential element is dishonesty, or any crime that is directly related to the practice of the profession.

(4) Making any misrepresentation for the purpose of obtaining registration or violating any provision of this Act or the rules adopted under this Act pertaining to

advertising.

(5) Professional incompetence.

(6) Gross malpractice.

(7) Aiding or assisting another person in violating any provision of this Act or rules adopted under this Act.

(8) Failing, within 30 days after requested, to provide information in response to a written request made by the Department.

(9) Engaging in dishonorable, unethical, or unprofessional conduct of a character likely to deceive, defraud, or harm the public.

(10) Discipline by another state, District of Columbia, territory, or foreign nation, if at least one of the grounds for the discipline is the same or substantially equivalent to those set forth in this Section.

(11) A finding by the Department that the registrant, after having the registrant's ~~his or her~~ registration placed on probationary status, has violated the terms of probation.

(12) Willfully making or filing false records or reports in the registrant's ~~his or her~~ practice, including, but not limited to, false records filed with State agencies or departments.

(13) Filing false statements for collection of fees for which services are not rendered.

(14) Practicing under a false or, except as provided by law, an assumed name.

(15) Fraud or misrepresentation in applying for, or procuring, a registration under this Act or in connection with applying for renewal of a registration under this Act.

(16) Being adjudicated liable in a civil proceeding for violation of a state or federal fair housing law.

(17) Failure to obtain or maintain the bond required under Section 50 of this Act.

(18) Failure to pay appraiser panel fees or appraisal management company national registry fees.

(19) Violating the terms of any order issued by the Department.

(b) The Department may refuse to issue or may suspend without hearing as provided for in the Civil Administrative Code of Illinois the registration of any person who fails to file a return, or to pay the tax, penalty, or interest shown in a filed return, or to pay any final assessment of the tax, penalty, or interest as required by any tax Act administered by the Illinois Department of Revenue, until such time as the requirements of any such tax Act are satisfied.

(c) An appraisal management company shall not be registered or included on the national registry if the company, in whole or in part, directly or indirectly, is owned by a person who has had an appraiser license or certificate

refused, denied, canceled, surrendered in lieu of revocation, or revoked under the Real Estate Appraiser Licensing Act of 2002 or the rules adopted under that Act, or similar discipline by another state, the District of Columbia, a territory, a foreign nation, a governmental agency, or an entity authorized to impose discipline if at least one of the grounds for that discipline is the same as or the equivalent of one of the grounds for which a licensee may be disciplined as set forth under this Section.

(Source: P.A. 100-604, eff. 7-13-18; 101-81, eff. 7-12-19.)

(225 ILCS 459/75)

Sec. 75. Investigations; notice and hearing. The Department may investigate the actions of any person who is an applicant or of any person or persons rendering or offering to render any services requiring registration under this Act or any person holding or claiming to hold a registration as an appraisal management company. The Department shall, before revoking, suspending, placing on probation, reprimanding, or taking any other disciplinary or non-disciplinary action under Section 65 of this Act, at least 30 days before the date set for the hearing, (i) notify the person charged ~~accused~~ in writing of the charges made and the time and place for the hearing on the charges, (ii) direct the person ~~him or her~~ to file a written answer to the charges with the Department under oath within 20 days after ~~the service on him or her~~ of the

notice, and (iii) inform the person ~~accused~~ that, if the person ~~he or she~~ fails to answer, default will be entered ~~taken~~ ~~against him or her~~ or that the person's ~~his or her~~ registration may be suspended, revoked, placed on probationary status, or other disciplinary action taken with regard to the registration, including limiting the scope, nature, or extent of the person's ~~his or her~~ practice, as the Department may consider proper. At the time and place fixed in the notice, the Department shall proceed to hear the charges and the parties or their counsel shall be accorded ample opportunity to present any pertinent statements, testimony, evidence, and arguments. The Department may continue the hearing from time to time. In case the person, after receiving the notice, fails to file an answer, the person's ~~his or her~~ registration may, in the discretion of the Department, be suspended, revoked, placed on probationary status, or the Department may take whatever disciplinary action considered proper, including limiting the scope, nature, or extent of the person's practice or the imposition of a fine, without a hearing, if the act or acts charged constitute sufficient grounds for that action under this Act. The written notice may be served by ~~personal delivery or by~~ certified mail or electronic mail to the last address of record or email address of record as provided to ~~specified by the accused in his or her last notification with~~ the Department or, if in the course of the administrative proceeding the party has previously designated a specific

email address at which to accept electronic service for that specific proceeding, by sending a copy by email to the party's email address on record.

(Source: P.A. 97-602, eff. 8-26-11.)

(225 ILCS 459/95)

Sec. 95. Findings and recommendations. At the conclusion of the hearing, the designated hearing officer shall present to the Secretary a written report of ~~his or her~~ findings of fact, conclusions of law, and recommendations. The report shall contain a finding whether or not the ~~accused~~ person charged violated this Act or its rules or failed to comply with the conditions required in this Act or its rules. The hearing officer shall specify the nature of any violations or failure to comply and shall make ~~his or her~~ recommendations to the Secretary. In making recommendations for any disciplinary actions, the hearing officer may take into consideration all facts and circumstances bearing upon the reasonableness of the conduct of the person charged ~~accused~~ and the potential for future harm to the public, including, but not limited to, previous discipline ~~of the accused~~ by the Department, intent, degree of harm to the public and likelihood of harm in the future, any restitution made ~~by the accused~~, and whether the incident or incidents contained in the complaint appear to be isolated or represent a continuing pattern of conduct. In making ~~his or her~~ recommendations for discipline, the hearing

officer shall endeavor to ensure that the severity of the discipline recommended is reasonably related to the severity of the violation. The report of findings of fact, conclusions of law, and recommendation of the hearing officer shall be the basis for the Department's order refusing to issue, restore, or renew a registration, or otherwise disciplining a person ~~registrant~~. If the Secretary disagrees with the recommendations of the hearing officer, the Secretary may issue an order in contravention of the hearing officer recommendations. The finding is not admissible in evidence against the person in a criminal prosecution brought for a violation of this Act, but the hearing and finding are not a bar to a criminal prosecution brought for a violation of this Act.

(Source: P.A. 97-602, eff. 8-26-11.)