

AN ACT concerning regulation.

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

Section 5. The State Finance Act is amended by adding Section 5.970 as follows:

(30 ILCS 105/5.970 new)

Sec. 5.970. The Division of Real Estate General Fund.

(30 ILCS 105/5.557 rep.)

(30 ILCS 105/5.558 rep.)

(30 ILCS 105/5.742 rep.)

Section 10. The State Finance Act is amended by repealing Sections 5.557, 5.558, and 5.742.

Section 15. The Auction License Act is amended by changing Sections 10-5, 10-30, 10-50, 20-15, 20-95, 30-13, and 30-30 and by adding Sections 20-11, 20-15.1, 20-16, and 20-105 as follows:

(225 ILCS 407/10-5)

(Section scheduled to be repealed on January 1, 2030)

Sec. 10-5. Requirements for auctioneer license; application.

(a) Every person who desires to obtain an auctioneer license under this Act shall:

(1) apply to the Department on forms provided by the Department accompanied by the required fee;

(2) be at least 18 years of age;

(3) have attained a high school diploma or successfully completed an equivalent course of study determined by an examination conducted by the Illinois State Board of Education; and

(4) pass a written examination authorized by the Department to prove competence, including but not limited to general knowledge of Illinois and federal laws pertaining to personal property contracts, auctions, real property, ethics, and other topics relating to the auction business.

(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, 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; or (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.

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

(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 renew a license if the 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 licensee has entered into a payment plan and is current on the required payments.

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

(Source: P.A. 100-831, eff. 1-1-19.)

(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 ~~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.

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

(225 ILCS 407/20-11 new)

Sec. 20-11. 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 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, other regulatory agencies that have an appropriate regulatory interest as determined by the Secretary, or to 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.

(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 anyone licensed under this Act 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 ~~that is a misdemeanor, an essential element of which is dishonesty, or any crime that is directly related to the practice of the profession.~~

(3.5) Failing to notify the Department, ~~of any criminal conviction that occurs during the licensee's term of licensure~~ within 30 days after the occurrence, of the information required in subsection (c) of Section 10-5 conviction.

(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 ~~his or her~~ 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 ~~his or her~~ 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 ~~his or her~~ 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, ~~including, but not limited to, deterioration through the aging process or loss of motor skill, or a~~ 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.

~~The entry of an order by a circuit court establishing that any person holding a license under this Act is subject to involuntary admission or judicial admission, as provided in the Mental Health and Developmental Disabilities Code, operates as an automatic suspension of that license. That person may have his or her license restored only upon the determination by a circuit 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 Board's recommendation to the Department that the license be restored. Where circumstances so indicate, the Board may recommend to the Department that it require an examination prior to restoring a suspended license.~~

~~If the Department or Board finds an individual unable to practice because of the reasons set forth in this Section, the Department or Board may require that individual to submit to care, counseling, or treatment by physicians approved or designated by the Department or Board, as a condition, term, or restriction for continued, reinstated, or renewed licensure to practice; or, in lieu of care, counseling, or treatment, the Department may file, or the Board may recommend to the Department to file, a complaint to immediately suspend, revoke, or otherwise discipline the license of the individual.~~

~~An individual whose license was granted, continued, reinstated, renewed, disciplined or supervised subject to such terms, conditions, or restrictions, and who fails to comply with such terms, conditions, or restrictions, shall be referred to the Secretary for a determination as to whether the individual shall have his or her license suspended immediately, pending a hearing by the Department. If the Secretary immediately suspends a person's license under this Section, a hearing on that person's license must be convened by the Department within 21 days after the suspension and completed without appreciable delay. The Department and Board shall have the authority to review the subject individual's record of treatment and counseling regarding the impairment to the extent permitted by applicable federal statutes and regulations safeguarding the confidentiality of medical records.~~

~~An individual licensed under this Act and affected under this Section shall be afforded an opportunity to demonstrate to the Department or Board that he or she can resume practice in compliance with acceptable and prevailing standards under his or her license.~~

~~In enforcing this Section, the Department or Board, upon a showing of a possible violation, may compel an individual licensed to practice under this Act, or who has applied for licensure under this Act, to submit to a mental or physical examination, or both, as required by and at the expense of the~~

~~Department. The Department or Board may order the examining physician to present testimony concerning the mental or physical examination of the licensee or applicant. No information shall be excluded by reason of any common law or statutory privilege relating to communications between the licensee or applicant and the examining physician. The examining physicians shall be specifically designated by the Board or Department. The individual to be examined may have, at his or her own expense, another physician of his or her choice present during all aspects of this examination. Failure of an individual to submit to a mental or physical examination when directed shall be grounds for suspension of his or her license until the individual submits to the examination, if the Department finds that, after notice and hearing, the refusal to submit to the examination was without reasonable cause.~~

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

(225 ILCS 407/20-15.1 new)

Sec. 20-15.1. Citations.

(a) The Department may adopt rules to permit the issuance of citations to any licensee for failure to comply with the continuing education requirements set forth in this Act or as established by rule. The citation shall be issued to the licensee and shall contain the licensee's name and address, the licensee's license number, the number of required hours of

continuing education that have not been successfully completed by the licensee within the renewal period, 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 required for that renewal period.

(b) Service of a citation shall be made 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, they 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 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 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.

(225 ILCS 407/20-16 new)

Sec. 20-16. 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 recommendation of the 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 recommendation of the Board as to the nature and extent of the discipline, shall take one or more of the disciplinary actions provided for in Section 20-15 in a timely manner, unless the administrative order is in the appeal process.



(225 ILCS 407/20-95)

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

Sec. 20-95. Returned checks and dishonored credit card charges; fine. A person who: (i) 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; or (ii) presents a credit or debit card for payment that is invalid or expired or against which charges by the Department are declined or dishonored, shall pay to the Department, in addition to the amount already owed to the Department, a fee of \$50. The Department shall notify the person that the ~~his or her~~ check has been returned and that the person shall pay to the Department by certified check or money order the amount of the returned check plus the \$50 fee within 30 calendar days after the date of the notification. If, after the expiration of 30 calendar days of the notification, the person has failed to submit the necessary remittance, the Department shall automatically terminate the license or deny the application without a hearing. If, after termination or denial, the person seeks a license, the applicant or licensee ~~he or she~~ shall petition the Department for restoration or issuance of the license and ~~he or she~~ may be subject to additional discipline or fines. The Secretary may waive the fines due under this Section in individual cases where the Secretary finds that the fines would be unreasonable or unnecessarily burdensome.

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

(225 ILCS 407/20-105 new)

Sec. 20-105. No private right of action. Except as otherwise expressly provided for in this Act, nothing in this Act shall be construed to grant to any person a private right of action to enforce the provisions of this Act or the rules adopted under this Act.

(225 ILCS 407/30-13)

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

Sec. 30-13. The Division of Real Estate General ~~Professions Dedicated~~ Fund. Prior to July 1, 2023, all ~~All~~ of the fees, fines, and penalties collected under this Act shall be deposited into the General Professions Dedicated Fund. Prior to July 1, 2023, the ~~The~~ monies deposited into the General Professions Dedicated Fund shall be used by the Department, as appropriated, for the ordinary and contingent expenses of the Department. Monies in the General Professions Dedicated Fund may be invested and reinvested, with all earnings received from investments to be deposited into that Fund and used for the same purposes as fees deposited in that Fund.

Beginning on July 1, 2023, all of the fees, fines, and penalties collected under this Act shall be deposited into the Division of Real Estate General Fund. The monies deposited

into the Division of Real Estate General Fund shall be used by the Department, as appropriated, for the ordinary and contingent expenses of the Department. Monies in the Division of Real Estate General Fund may be invested and reinvested, with all earnings received from investments to be deposited into that Fund and used for the same purposes as fees deposited in that Fund.

(Source: P.A. 96-730, eff. 8-25-09.)

(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, ~~except that for the initial appointments, these members may be persons without a license, but who have been auctioneers for at least 5 years preceding their appointment to the Advisory Board.~~ 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 ~~or any other connection with the profession~~. One member shall be actively engaged in the real estate industry and licensed as a broker or managing broker ~~salesperson~~. 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 ~~expire upon completion of the term~~. No member shall be reappointed to the Board for a term that would cause the member's ~~his or her~~ cumulative service to the Board to exceed 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.

(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 ~~shall~~ receive a per diem stipend in an amount to be determined by the Secretary. While engaged in the performance of duties, each ~~Each~~ member shall be reimbursed for ~~paid his or her~~ necessary expenses ~~while engaged in the performance of his or her duties~~.

(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. 100-886, eff. 8-14-18.)

Section 20. The Community Association Manager Licensing and Disciplinary Act is amended by changing Sections 10, 25, 55, 60, and 65 as follows:

(225 ILCS 427/10)

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

Sec. 10. Definitions. As used in this Act:

"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 maintained by the Department.

"Advertise" means, but is not limited to, issuing or causing to be distributed any card, sign or device to any person; or causing, permitting or allowing any sign or marking on or in any building, structure, newspaper, magazine or directory, or on radio or television; or advertising by any other means designed to secure public attention, including, but not limited to, print, electronic, social media, and digital forums.

"Board" means the Community Association Manager Licensing and Disciplinary Board.

"Community association" means an association in which membership is a condition of ownership or shareholder interest of a unit in a condominium, cooperative, townhouse, villa, or other residential unit which is part of a residential development plan and that is authorized to impose an assessment, rents, or other costs that may become a lien on the unit or lot.

"Community association funds" means any assessments, fees, fines, or other funds collected by the community association manager from the community association, or its members, other than the compensation paid to the community association manager for performance of community association management services.

"Community association management firm" means a company, corporation, limited liability company, partnership, or other entity that engages in community association management

services.

"Community association management services" means those services listed in the definition of community association manager in this Section.

"Community association manager" means an individual who:

(1) has an ownership interest in or is employed by a community association management firm, or is directly employed by or provides services as an independent contractor to a community association; and

(2) administers for remuneration the financial, administrative, maintenance, or other duties for the community association, including the following services:

(A) collecting, controlling or disbursing funds of the community association or having the authority to do so;

(B) preparing budgets or other financial documents for the community association;

(C) assisting in the conduct of community association meetings;

(D) maintaining association records;

(E) administering association contracts or procuring goods and services in accordance with the declaration, bylaws, proprietary lease, declaration of covenants, or other governing document of the community association or at the direction of the board of managers; and

(F) coordinating financial, administrative, maintenance, or other duties called for in the management contract, including individuals who are direct employees of the community association.

"Community association manager" does not mean support staff, including, but not limited to bookkeepers, administrative assistants, secretaries, property inspectors, or customer service representatives.

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

"Designated community association manager" means a licensed community association manager who: (1) has an ownership interest in or is employed by a community association management firm to act as a controlling person; and (2) is the authorized signatory or has delegated signing authority for the firm on community association accounts; and (3) supervises, manages, and is responsible for the firm's community association manager activities pursuant to Section 50 of this Act.

"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, as maintained by the Department.

"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 ~~a community association manager or a community association management firm.~~

"Person" means any individual, corporation, partnership, limited liability company, or other legal entity.

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

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

(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 ~~or~~

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 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. 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 ~~receive reimbursement~~ ~~as set by the Governor's Travel Control Board~~ 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 ~~shall be compensated as~~ 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.)

(225 ILCS 427/55)

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

Sec. 55. Fidelity insurance; segregation of accounts.

(a) The designated community association manager or the community association management firm that employs the designated community association manager shall not have access to and disburse community association funds unless each of the following conditions occur:

(1) There is fidelity insurance in place to insure against loss or theft of community association funds.

(2) The fidelity insurance is in the maximum amount of coverage available to protect funds in the custody or control of the designated community association manager or community association management firm providing service to the association.

(3) During the term and coverage period of the insurance, the fidelity insurance shall cover:

- (A) the designated community association manager;
- (B) the community association management firm;
- (C) all community association managers;

(D) all partners, officers, and employees of the community association management firm; and

(E) the community association officers, directors, and employees.

(4) The insurance company issuing the fidelity insurance may not cancel or refuse to renew the bond without giving at least 10 days' prior written notice.

(5) Unless an agreement between the community association and the designated community association manager or the community association management firm provides to the contrary, a community association may secure and pay for the fidelity insurance required by this Section. The designated community association manager, all other licensees, and the community association management firm must be named as additional insured parties on the community association policy. If the fidelity insurance is not secured and paid for by the association, the community association manager or the community association management firm that secures and pays for the insurance shall provide a current certificate of fidelity insurance to the community association for which it provides community association management services within 10 days of a request for such certificate by the community association for its records.

(b) A community association management firm that provides community association management services for more than one

community association shall maintain separate, segregated accounts for each community association. ~~The funds shall not, in any event, be commingled with the supervising community association manager's or community association management firm's funds.~~ The funds shall not, in any event, be commingled with the funds of the community association manager, the community association management firm, or any other community association. The maintenance of such accounts shall be custodial, and such accounts shall be in the name of the respective community association.

(c) The designated community association manager or community association management firm shall obtain the appropriate general liability and errors and omissions insurance, as determined by the Department, to cover any losses or claims against a community association manager, the designated community association manager, or the community association management firm. The community association manager or the community association management firm shall provide a current certificate of general liability and errors and omissions insurance to the community association for which it provides community association management services within 10 days of a request for such certificate by the community association for its records.

(d) The Department shall have authority to promulgate additional rules regarding insurance, fidelity insurance and all accounts maintained and to be maintained by a community

association manager, designated community association manager, or community association management firm.

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

(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, ~~by~~ 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 may have the license renewed or restored without paying any lapsed renewal fees 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 ~~operation~~ 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 renew a license if the licensee has an unpaid fine or fee from a disciplinary matter or ~~an unpaid fee~~ from a non-disciplinary action imposed by the Department until the fine or fee is paid to the Department or the licensee has entered into a payment plan and is current on the required payments.

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

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

(225 ILCS 427/65)

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

Sec. 65. Fees; Division of Real Estate General ~~Community Association Manager Licensing and Disciplinary~~ Fund.

(a) The fees for the administration and enforcement of this Act, including, but not limited to, initial licensure, renewal, and restoration, shall be set by rule of the Department. The fees shall be nonrefundable.

(b) In addition to the application fee, applicants for the examination are required to pay, either to the Department or the designated testing service, a fee covering the cost of



determining an applicant's eligibility and providing the examination. Failure to appear for the examination on the scheduled date, at the time and place specified, after the applicant's application and fee for examination have been received and acknowledged by the Department or the designated testing service, shall result in the forfeiture of the fee.

(c) Prior to July 1, 2023, all ~~All~~ fees, fines, penalties, or other monies received or collected pursuant to this Act shall be deposited in the Community Association Manager Licensing and Disciplinary Fund. 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.

(d) Moneys in the Community Association Manager Licensing and Disciplinary Fund and the Division of Real Estate General 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.

(e) Notwithstanding any other provision of law, in addition to any other transfers that may be provided by law, on July 1, 2023, or as soon thereafter as practical, the State Comptroller shall direct and the State Treasurer shall transfer the remaining balance from the Community Association Manager Licensing and Disciplinary Fund into the Division of Real Estate General Fund. Upon completion of the transfer, the

Community Association Manager Licensing and Disciplinary Fund is dissolved, and any future deposits due to that Fund and any outstanding obligations or liabilities of that Fund pass to the Division of Real Estate General Fund.

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

Section 25. The Home Inspector License Act is amended by changing Sections 1-10, 5-16, 5-17, 15-5, and 25-5 and by adding Section 15-11 as follows:

(225 ILCS 441/1-10)

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

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

"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.

"Client" means a person who engages or seeks to engage the services of a home inspector for an inspection assignment.

"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, as maintained by the Department.

"Home inspection" means the examination and evaluation of the exterior and interior components of residential real property, which includes the inspection of any 2 or more of the following components of residential real property in connection with or to facilitate the sale, lease, or other conveyance of, or the proposed sale, lease or other conveyance of, residential real property:

- (1) heating, ventilation, and air conditioning system;
- (2) plumbing system;
- (3) electrical system;
- (4) structural composition;
- (5) foundation;
- (6) roof;
- (7) masonry structure; or
- (8) any other residential real property component as

established by rule.

"Home inspector" means a person or entity who, for another and for compensation either direct or indirect, performs home inspections.

"Home inspection report" or "inspection report" means a written evaluation prepared and issued by a home inspector upon completion of a home inspection, which meets the standards of practice as established by the Department.

"Inspection assignment" means an engagement for which a

home inspector is employed or retained to conduct a home inspection and prepare a home inspection report.

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

"Licensee" means any person licensed under this Act ~~a home inspector, home inspector entity, or home inspector education provider.~~

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

"Residential real property" means real property that is used or intended to be used as a residence by one or more individuals.

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

"Standards of practice" means recognized standards to be used in a home inspection, as determined by the Department and established by rule.

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

(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 if (i) the license expired while the home inspector was 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 renew a license if the 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 licensee has entered into a payment plan and is current on the required payments.

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

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

(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 renew a license if the 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 licensee has entered into a payment plan and is current on the required payments.

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

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

(225 ILCS 441/15-5)

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

Sec. 15-5. Unlicensed practice; civil penalty.

(a) Any person who practices, offers to practice, attempts to practice, or holds oneself ~~himself or herself~~ out to

practice home inspection or as a home inspector without being licensed under this Act shall, in addition to any other penalty provided by law, pay a civil penalty to the Department in an amount not to exceed \$25,000 for each violation of this Act as determined by the Department. The civil penalty shall be assessed by the Department after a hearing is held in accordance with the provisions of this Act.

(b) The Department has the authority and power to investigate any unlicensed activity.

(c) A civil penalty shall be paid within 60 days after the effective date of the order imposing the civil penalty. The Department may petition the circuit court for a judgment to enforce the collection of the penalty. Prior to July 1, 2023, any ~~Any~~ civil penalties collected under this Act shall be made payable to the Department and deposited into the Home Inspector Administration Fund. Beginning on July 1, 2023, any civil penalties collected under this Act shall be made payable to the Department and deposited into the Division of Real Estate General Fund.

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

(225 ILCS 441/15-11 new)

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 recommendation of the 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 recommendation of the 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.

(225 ILCS 441/25-5)

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

Sec. 25-5. Division of Real Estate General ~~Home Inspector Administration~~ Fund; surcharge.

(a) The Home Inspector Administration Fund is created as a special fund in the State Treasury. Prior to July 1, 2023, all ~~All~~ fees, fines, and penalties received by the Department under this Act shall be deposited into the Home Inspector Administration Fund. All earnings attributable to investment of funds in the Home Inspector Administration Fund shall be credited to the Home Inspector Administration Fund. Subject to appropriation, the moneys in the Home Inspector Administration Fund shall be appropriated to the Department for the expenses

incurred by the Department in the administration of this Act.

(a-5) The Division of Real Estate General Fund is created as a special fund in the State Treasury. Beginning on July 1, 2023, all fees, fines, and penalties received by the Department under this Act shall be deposited into the Division of Real Estate General Fund. All earnings attributable to investment of funds in the Division of Real Estate General Fund shall be credited to the Division of Real Estate General Fund. Subject to appropriation, the moneys in the Division of Real Estate General Fund shall be appropriated to the Department for the expenses incurred by the Department in the administration of this Act.

(b) (Blank).

(c) (Blank).

(c-5) Moneys in the Home Inspection Administration Fund and the Division of Real Estate General 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.

(d) Upon the completion of any audit of the Department, as prescribed by the Illinois State Auditing Act, that includes an audit of the Home Inspector Administration Fund or the Division of Real Estate General Fund, the Department shall make the audit report open to inspection by any interested person.

(e) Notwithstanding any other provision of law, in addition to any other transfers that may be provided by law, on July 1, 2023, or as soon thereafter as practical, the State Comptroller shall direct and the State Treasurer shall transfer the remaining balance from the Home Inspector Administration Fund into the Division of Real Estate General Fund. Upon completion of the transfer, the Home Inspector Administration Fund is dissolved, and any future deposits due to that Fund and any outstanding obligations or liabilities of that Fund pass to the Division of Real Estate General Fund.

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

Section 30. The Real Estate License Act of 2000 is amended by changing Sections 1-10, 5-10, 5-25, 5-45, 5-50, 5-70, 15-35, 15-45, 20-20, 20-20.1, 20-69, 20-75, 20-110, 25-10, 30-15, and 30-25 and by adding Section 25-38 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 ~~himself or herself~~ 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 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 ~~he or she~~ 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 ~~, as defined in this Section, who holds a valid unexpired license as a managing broker, broker, or residential leasing agent.~~

"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 ~~his or her~~ 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 ~~displayed~~, 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 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 ~~named thereon~~ 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. 100-188, eff. 1-1-18; 100-534, eff. 9-22-17; 100-831, eff. 1-1-19; 100-863, eff. 8-14-18; 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 high school equivalency certificate, 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 ~~for each 2 year renewal period~~. 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. 100-188, eff. 1-1-18; 101-357, eff. 8-9-19.)

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

Sec. 5-25. Good moral character.

(a) When an applicant has had a ~~his or her~~ license revoked on a prior occasion or when an applicant is found to have committed any of the practices enumerated in Section 20-20 of this Act or when an applicant has been convicted of or enters a plea of guilty or nolo contendere to forgery, embezzlement, obtaining money under false pretenses, larceny, extortion, conspiracy to defraud, or any other similar offense or offenses or has been convicted of a felony involving moral turpitude in any court of competent jurisdiction in this or any other state, district, or territory of the United States or of a foreign country, the Board may consider the prior revocation, conduct, or conviction in its determination of the applicant's moral character and whether to grant the applicant a license.

(b) In its consideration of the prior revocation, conduct, or conviction, the Board shall take into account the nature of the conduct, any aggravating or extenuating circumstances, the time elapsed since the revocation, conduct, or conviction, the rehabilitation or restitution performed by the applicant, mitigating factors, and any other factors that the Board deems relevant, including, but not limited to:

(1) the lack of direct relation of the offense for which the applicant was previously convicted to the duties, functions, and responsibilities of the position

for which a license is sought;

(2) unless otherwise specified, whether 5 years since a felony conviction or 3 years since release from confinement for the conviction, whichever is later, have passed without a subsequent conviction;

(3) if the applicant was previously licensed or employed in this State or other states or jurisdictions, the lack of prior misconduct arising from or related to the licensed position or position of employment;

(4) the age of the person at the time of the criminal offense;

(5) if, due to the applicant's criminal conviction history, the applicant would be explicitly prohibited by federal rules or regulations from working in the position for which a license is sought;

(6) successful completion of sentence and, for applicants serving a term of parole or probation, a progress report provided by the applicant's probation or parole officer that documents the applicant's compliance with conditions of supervision;

(7) evidence of the applicant's present fitness and professional character;

(8) evidence of rehabilitation or rehabilitative effort during or after incarceration, or during or after a term of supervision, including, but not limited to, a certificate of good conduct under Section 5-5.5-25 of the

Unified Code of Corrections or a certificate of relief from disabilities under Section 5-5.5-10 of the Unified Code of Corrections; and

(9) any other mitigating factors that contribute to the person's potential and current ability to perform the job duties.

(c) 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 arrests not followed by a charge or conviction;

(4) records of arrests 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 a 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.

(d) If an applicant makes a false statement of material fact on the ~~his or her~~ application, the false statement may in itself be sufficient grounds to revoke or refuse to issue a license.

(e) A licensee shall report to the Department, in a manner prescribed by the Department and within 30 days after the occurrence of: (1) any conviction of or adopted by rule, any 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; (2) 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 (3) any crime that subjects the licensee to compliance with the requirements of the Sex Offender Registration Act ~~that occurs during the licensee's term of licensure.~~

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

(225 ILCS 454/5-45)

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

Sec. 5-45. Offices.

(a) If a sponsoring broker maintains more than one office within the State, the sponsoring broker shall notify the Department in a manner prescribed by the Department for each office other than the sponsoring broker's principal place of business. The brokerage license shall be displayed conspicuously in each office. The name of each branch office shall be the same as that of the sponsoring broker's principal office or shall clearly delineate the office's relationship with the principal office.

(b) The sponsoring broker shall name a designated managing broker for each office and the sponsoring broker shall be responsible for supervising all designated managing brokers. The sponsoring broker shall notify the Department in a manner prescribed by the Department of the name of all designated managing brokers of the sponsoring broker and the office or offices they manage. Any changes in designated managing brokers shall be reported to the Department in a manner prescribed by the Department within 15 days of the change. Failure to do so shall subject the sponsoring broker to discipline under Section 20-20 of this Act.

(c) The sponsoring broker shall, within 24 hours, notify the Department in a manner prescribed by the Department of any opening, closing, or change in location of any office.

(d) Except as provided in this Section, each sponsoring broker shall maintain an office, or place of business within

this State for the transaction of real estate business, shall conspicuously display an identification sign on the outside of the ~~his or her~~ physical office of adequate size and visibility. Any record required by this Act to be created or maintained shall be, in the case of a physical record, securely stored and accessible for inspection by the Department at the sponsoring broker's principal office and, in the case of an electronic record, securely stored in the format in which it was originally generated, sent, or received and accessible for inspection by the Department by secure electronic access to the record. Any record relating to a transaction of a special account shall be maintained for a minimum of 5 years, and any electronic record shall be backed up at least monthly. The office or place of business shall not be located in any retail or financial business establishment unless it is clearly separated from the other business and is situated within a distinct area within the establishment.

(e) A broker who is licensed in this State by examination or pursuant to the provisions of Section 5-60 of this Act shall not be required to maintain a definite office or place of business in this State provided all of the following conditions are met:

- (1) the broker maintains an active broker's license in the broker's state of domicile;
- (2) the broker maintains an office in the broker's state of domicile; and

(3) the broker has filed with the Department written statements appointing the Secretary to act as the broker's agent upon whom all judicial and other process or legal notices directed to the licensee may be served and agreeing to abide by all of the provisions of this Act with respect to the broker's ~~his or her~~ real estate activities within the State of Illinois and submitting to the jurisdiction of the Department.

The statements under subdivision (3) of this Section shall be in form and substance the same as those statements required under Section 5-60 of this Act and shall operate to the same extent.

(f) The Department may adopt rules to ~~permit and~~ regulate the operation of virtual offices that do not have a fixed location.

(Source: P.A. 100-831, eff. 1-1-19; 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 ~~pre-renewal period~~ that ended prior to the date of the application for reinstatement, and (iv) filing acceptable proof of fitness to have the ~~his or her~~ 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 ~~he or she~~ 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 ~~his or her~~ license renewed, reinstated or restored without paying any lapsed renewal fees if within 2 years after the termination of the service, training or education by furnishing the Department with satisfactory evidence of service, training, or education and it has been terminated under honorable conditions.

(e) Each licensee shall carry on one's ~~his or her~~ person the ~~his or her~~ 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 ~~the licensee changes employment~~ as set forth in subsection (b) ~~(c)~~ of Section 5-40 of this Act.

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

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

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

(225 ILCS 454/5-70)

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

Sec. 5-70. Continuing education requirement; managing broker or broker.

(a) The requirements of this Section apply to all managing brokers and brokers.

(b) Except as otherwise provided in this Section, each person who applies for renewal of a ~~his or her~~ license as a managing broker or broker must successfully complete 12 hours of real estate continuing education courses recommended by the Board and approved by the Department during the current term of the license. In addition, those licensees renewing or obtaining a managing broker's license must successfully

complete a 12-hour broker management continuing education course approved by the Department during the current term of the license. The broker management continuing education course must be completed in the classroom or through a live, interactive webinar or online distance education format. No license may be renewed except upon the successful completion of the required courses or their equivalent or upon a waiver of those requirements for good cause shown as determined by the Secretary upon the recommendation of the Board. The requirements of this Article are applicable to all managing brokers and brokers except those managing brokers and brokers who, during the current term of licensure ~~renewal period~~:

- (1) serve in the armed services of the United States;
- (2) serve as an elected State or federal official;
- (3) serve as a full-time employee of the Department;

or

(4) are admitted to practice law pursuant to Illinois Supreme Court rule.

(c) (Blank).

(d) A person receiving an initial license during the 90 days before the renewal date shall not be required to complete the continuing education courses provided for in subsection (b) of this Section as a condition of initial license renewal.

(e) The continuing education requirement for brokers and managing brokers shall consist of a single core curriculum and an elective curriculum, to be recommended by the Board and

approved by the Department in accordance with this subsection. The core curriculum shall not be further divided into subcategories or divisions of instruction. The core curriculum shall consist of 4 hours during the current term of the license on subjects that may include, but are not limited to, advertising, agency, disclosures, escrow, fair housing, residential leasing agent management, and license law. The amount of time allotted to each of these subjects shall be recommended by the Board and determined by the Department. The Department, upon the recommendation of the Board, shall review the core curriculum every 4 years, at a minimum, and shall revise the curriculum if necessary. However, the core curriculum's total hourly requirement shall only be subject to change by amendment of this subsection, and any change to the core curriculum shall not be effective for a period of 6 months after such change is made by the Department. The Department shall provide notice to all approved education providers of any changes to the core curriculum. When determining whether revisions of the core curriculum's subjects or specific time requirements are necessary, the Board shall consider recent changes in applicable laws, new laws, and areas of the license law and the Department policy that the Board deems appropriate, and any other subject areas the Board deems timely and applicable in order to prevent violations of this Act and to protect the public. In establishing a recommendation to the Department regarding the elective

curriculum, the Board shall consider subjects that cover the various aspects of the practice of real estate that are covered under the scope of this Act.

(f) The subject areas of continuing education courses recommended by the Board and approved by the Department shall be meant to protect the professionalism of the industry, the consumer, and the public and prevent violations of this Act and may include without limitation the following:

- (1) license law and escrow;
- (2) antitrust;
- (3) fair housing;
- (4) agency;
- (5) appraisal;
- (6) property management;
- (7) residential brokerage;
- (8) farm property management;
- (9) transaction management rights and duties of parties in a transaction;
- (10) commercial brokerage and leasing;
- (11) real estate financing;
- (12) disclosures;
- (13) residential leasing agent management;
- (14) advertising;
- (15) broker supervision and designated managing broker responsibility;
- (16) professional conduct; and

(17) use of technology.

(g) In lieu of credit for those courses listed in subsection (f) of this Section, credit may be earned for serving as a licensed instructor in an approved course of continuing education. The amount of credit earned for teaching a course shall be the amount of continuing education credit for which the course is approved for licensees taking the course.

(h) Credit hours may be earned for self-study programs approved by the Department.

(i) A managing broker or broker may earn credit for a specific continuing education course only once during the current term of the license.

(j) No more than 12 hours of continuing education credit may be taken in one calendar day.

(k) To promote the offering of a uniform and consistent course content, the Department may provide for the development of a single broker management course to be offered by all education providers who choose to offer the broker management continuing education course. The Department may contract for the development of the 12-hour broker management continuing education course with an outside vendor or consultant and, if the course is developed in this manner, the Department or the outside consultant shall license the use of that course to all approved education providers who wish to provide the course.

(l) Except as specifically provided in this Act,



continuing education credit hours may not be earned for completion of pre-license or post-license courses. The courses comprising the approved 45-hour post-license curriculum for broker licensees shall satisfy the continuing education requirement for the initial broker license term ~~period in which the courses are taken~~. The approved 45-hour managing broker pre-license brokerage administration and management course shall satisfy the 12-hour broker management continuing education requirement for the initial managing broker license term ~~in which the course is taken~~.

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

(225 ILCS 454/15-35)

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

Sec. 15-35. Agency relationship disclosure.

(a) A licensee acting as a designated agent shall advise a consumer in writing, no later than beginning to work as a designated agent on behalf of the consumer, of the following:

(1) That a designated agency relationship exists, unless there is written agreement between the sponsoring broker and the consumer providing for a different agency relationship; and

(2) The name or names of the ~~his or her~~ designated agent or agents on the written disclosure, which can be included in a brokerage agreement or be a separate document, a copy of which is retained by the sponsoring

broker ~~real estate brokerage firm~~ for the licensee.

(b) The licensee representing the consumer shall discuss with the consumer the sponsoring broker's compensation and policy with regard to cooperating with brokers who represent other parties in a transaction.

(c) A licensee shall disclose in writing to a customer that the licensee is not acting as the agent of the customer at a time intended to prevent disclosure of confidential information from a customer to a licensee, but in no event later than the preparation of an offer to purchase or lease real property.

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

(225 ILCS 454/15-45)

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

Sec. 15-45. Dual agency.

(a) An individual licensee may act as a dual agent or a sponsoring broker may permit one or more of its sponsored licensees to act as dual agents in the same transaction only with the informed written consent of all clients. Informed written consent shall be presumed to have been given by any client who signs a document that includes the following:

"The undersigned (insert name(s)), ("Licensee"), may undertake a dual representation (represent both the seller or landlord and the buyer or tenant) for the sale or lease of property. The undersigned acknowledge they were

informed of the possibility of this type of representation. Before signing this document please read the following: Representing more than one party to a transaction presents a conflict of interest since both clients may rely upon Licensee's advice and the client's respective interests may be adverse to each other. Licensee will undertake this representation only with the written consent of ALL clients in the transaction. Any agreement between the clients as to a final contract price and other terms is a result of negotiations between the clients acting in their own best interests and on their own behalf. You acknowledge that Licensee has explained the implications of dual representation, including the risks involved, and understand that you have been advised to seek independent advice from your advisors or attorneys before signing any documents in this transaction.

WHAT A LICENSEE CAN DO FOR CLIENTS

WHEN ACTING AS A DUAL AGENT

1. Treat all clients honestly.
2. Provide information about the property to the buyer or tenant.
3. Disclose all latent material defects in the property that are known to the Licensee.
4. Disclose financial qualification of the buyer or tenant to the seller or landlord.
5. Explain real estate terms.

6. Help the buyer or tenant to arrange for property inspections.
7. Explain closing costs and procedures.
8. Help the buyer compare financing alternatives.
9. Provide information about comparable properties that have sold so both clients may make educated decisions on what price to accept or offer.

WHAT LICENSEE CANNOT DISCLOSE TO CLIENTS WHEN  
ACTING AS A DUAL AGENT

1. Confidential information that Licensee may know about a client, without that client's permission.
2. The price or terms the seller or landlord will take other than the listing price without permission of the seller or landlord.
3. The price or terms the buyer or tenant is willing to pay without permission of the buyer or tenant.
4. A recommended or suggested price or terms the buyer or tenant should offer.
5. A recommended or suggested price or terms the seller or landlord should counter with or accept.

If either client is uncomfortable with this disclosure and dual representation, please let Licensee know. You are not required to sign this document unless you want to allow Licensee to proceed as a Dual Agent in this transaction. By signing below, you acknowledge that you have read and understand this form and voluntarily consent

to Licensee acting as a Dual Agent (that is, to represent BOTH the seller or landlord and the buyer or tenant) should that become necessary."

(b) The dual agency disclosure form provided for in subsection (a) of this Section must be presented by a licensee, who offers dual representation, to the client at the time the brokerage agreement is entered into and may be signed by the client at that time or at any time before the licensee acts as a dual agent as to the client.

(c) A licensee acting in a dual agency capacity in a transaction must obtain a written confirmation from the licensee's clients of their prior consent for the licensee to act as a dual agent in the transaction. This confirmation should be obtained at the time the clients are executing any offer or contract to purchase or lease in a transaction in which the licensee is acting as a dual agent. This confirmation may be included in another document, such as a contract to purchase, in which case the client must not only sign the document but also initial the confirmation of dual agency provision. That confirmation must state, at a minimum, the following:

"The undersigned confirm that they have previously consented to (insert name(s)), ("Licensee"), acting as a Dual Agent in providing brokerage services on their behalf and specifically consent to Licensee acting as a Dual Agent in regard to the transaction referred to in this

document."

(d) No cause of action shall arise on behalf of any person against a dual agent for making disclosures allowed or required by this Article, and the dual agent does not terminate any agency relationship by making the allowed or required disclosures.

(e) In the case of dual agency, each client and the licensee possess only actual knowledge and information. There shall be no imputation of knowledge or information among or between clients, brokers, or their affiliated licensees.

(f) In any transaction, a licensee may without liability withdraw from representing a client who has not consented to a disclosed dual agency. The withdrawal shall not prejudice the ability of the licensee to continue to represent the other client in the transaction or limit the licensee from representing the client in other transactions. When a withdrawal as contemplated in this subsection (f) occurs, the licensee shall not receive a referral fee for referring a client to another licensee unless written disclosure is made to both the withdrawing client and the client that continues to be represented by the licensee.

(g) A licensee shall not serve as a dual agent in any transaction when the licensee, or an entity in which the licensee has or will have any ownership interest, is a party to the transaction.

(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 upon any licensee or applicant under this Act or any person who holds oneself ~~himself or herself~~ out as an applicant or licensee or against a licensee in handling one's ~~his or her~~ 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; ~~or~~ (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. ~~Action taken under this paragraph (2) for a misdemeanor or an administrative~~

~~sanction is limited to a misdemeanor or administrative sanction that has as an essential element dishonesty or fraud or involves larceny, embezzlement, or obtaining money, property, or credit by false pretenses or by means of a confidence game.~~

(3) Inability to practice the profession with reasonable judgment, skill, or safety as a result of a physical illness, ~~including, but not limited to,~~ ~~deterioration through the aging process or loss of motor skill, or a~~ 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 ~~his or her~~ 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 ~~his or her~~ 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 ~~his or her~~ 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 ~~his or her~~ 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 ~~his or her~~ 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 ~~he or she~~ 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 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, ~~of any criminal conviction that occurs during the licensee's term of licensure~~ within 30 days after the occurrence, of the information required in subsection (e) of Section 5-25 conviction.

(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.

(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). ~~In enforcing this Section, the Department or Board upon a showing of a possible violation may compel an individual licensed to practice under this Act, or who has applied for licensure under this Act, to submit to a mental or physical examination, or both, as required by and at the expense of the Department. The Department or Board may order the examining physician to present testimony concerning the mental or physical examination of the licensee or applicant. No information shall be excluded by reason of any common law or statutory privilege relating to communications between the licensee or applicant and the examining physician. The examining physicians shall be specifically designated by the Board or Department. The individual to be examined may have, at his or her own expense, another physician of his or her choice present during all aspects of this examination. Failure of an individual to submit to a mental or physical examination, when directed, shall be grounds for suspension of his or her license until the individual submits to the examination if the Department finds, after notice and hearing, that the refusal to submit to the examination was without reasonable cause.~~

~~If the Department or Board finds an individual unable to~~

~~practice because of the reasons set forth in this Section, the Department or Board may require that individual to submit to care, counseling, or treatment by physicians approved or designated by the Department or Board, as a condition, term, or restriction for continued, reinstated, or renewed licensure to practice; or, in lieu of care, counseling, or treatment, the Department may file, or the Board may recommend to the Department to file, a complaint to immediately suspend, revoke, or otherwise discipline the license of the individual. An individual whose license was granted, continued, reinstated, renewed, disciplined or supervised subject to such terms, conditions, or restrictions, and who fails to comply with such terms, conditions, or restrictions, shall be referred to the Secretary for a determination as to whether the individual shall have his or her license suspended immediately, pending a hearing by the Department.~~

~~In instances in which the Secretary immediately suspends a person's license under this Section, a hearing on that person's license must be convened by the Department within 30 days after the suspension and completed without appreciable delay. The Department and Board shall have the authority to review the subject individual's record of treatment and counseling regarding the impairment to the extent permitted by applicable federal statutes and regulations safeguarding the confidentiality of medical records.~~

~~An individual licensed under this Act and affected under~~

~~this Section shall be afforded an opportunity to demonstrate to the Department or Board that he or she can resume practice in compliance with acceptable and prevailing standards under the provisions of his or her license.~~

(Source: P.A. 100-22, eff. 1-1-18; 100-188, eff. 1-1-18; 100-534, eff. 9-22-17; 100-831, eff. 1-1-19; 100-863, eff. 8-14-18; 100-872, eff. 8-14-18; 101-81, eff. 7-12-19; 101-357, eff. 8-9-19.)

(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 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 ~~his or her~~ 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 that have not been successfully completed by the licensee's ~~licensee within the renewal deadline period~~, 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 required for that term of licensure ~~renewal period~~.

(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 ~~he or she~~ 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 ~~paid~~ 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.)

(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 of an individual's ~~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. 96-856, eff. 12-31-09.)

(225 ILCS 454/20-75)

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

Sec. 20-75. Administrative Review venue.

(a) All final administrative decisions of the Department are subject to judicial review under the Administrative Review Law and its rules. The term "administrative decision" is defined in Section 3-101 of the Code of Civil Procedure.

(b) Proceedings for judicial review shall be commenced in the circuit court of the court in which the party applying for

review resides, but if the party is not a resident of Illinois, the venue shall be in Sangamon County or Cook County.

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

(225 ILCS 454/20-110)

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

Sec. 20-110. Disciplinary actions of the Department not limited. Nothing contained in Sections 20-82 ~~20-80~~ through 20-100 of this Act limits the authority of the Department to take disciplinary action against any licensee for a violation of this Act or the rules of the Department, nor shall the repayment in full of all obligations to the Real Estate Recovery Fund by any licensee nullify or modify the effect of any other disciplinary proceeding brought pursuant to this Act.

(Source: P.A. 96-856, eff. 12-31-09.)

(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, ~~or (iv) a person the Department determines to have any other connection with a real estate brokerage business or a licensee.~~

The members' terms shall be for 4 years and until a successor is appointed ~~expire upon completion of the term~~. No member shall be reappointed to the Board for a term that would cause the member's ~~his or her~~ cumulative service to the Board to exceed 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 ~~calendar~~ 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 ~~Each~~ member shall be reimbursed ~~for paid his or her~~ necessary expenses ~~while engaged in the performance of his or her duties~~. 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. 99-227, eff. 8-3-15; 100-188, eff. 1-1-18; 100-886, eff. 8-14-18.)

(225 ILCS 454/25-38 new)

Sec. 25-38. Real Estate Audit Fund. Notwithstanding any other provision of law, in addition to any other transfers that may be provided by law, on July 1, 2023, or as soon thereafter as practical, the State Comptroller shall direct and the State Treasurer shall transfer the remaining balance from the Real Estate Audit Fund into the Real Estate License Administration Fund. Upon completion of the transfer, the Real Estate Audit Fund is dissolved, and any future deposits due to that Fund and any outstanding obligations or liabilities of that Fund pass to the Real Estate License Administration Fund. This Section is repealed on October 1, 2023.

(225 ILCS 454/30-15)

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

Sec. 30-15. Licensing of education providers; approval of courses.

(a) (Blank).

(b) (Blank).

(c) (Blank).

(d) (Blank).

(e) (Blank).

(f) All education providers shall submit, at the time of initial application and with each license renewal, a list of courses with course materials that comply with the course requirements in this Act to be offered by the education provider. The Department may establish an online mechanism by which education providers may submit for approval by the Department upon the recommendation of the Board or its designee pre-license, post-license, or continuing education courses that are submitted after the time of the education provider's initial license application or renewal. The Department shall provide to each education provider a certificate for each approved pre-license, post-license, or continuing education course. All pre-license, post-license, or continuing education courses shall be valid for the period coinciding with the term of license of the education provider. However, in no case shall a course continue to be valid if it does not, at all times, meet all of the requirements of the

core curriculum established by this Act and the Board, as modified from time to time in accordance with this Act. All education providers shall provide a copy of the certificate of the pre-license, post-license, or continuing education course within the course materials given to each student or shall display a copy of the certificate of the pre-license, post-license, or continuing education course in a conspicuous place at the location of the class.

(g) Each education provider shall provide to the Department a report in a frequency and format determined by the Department, with information concerning students who successfully completed all approved pre-license, post-license, or continuing education courses offered by the education provider.

(h) The Department, upon the recommendation of the Board, may temporarily suspend a licensed education provider's approved courses without hearing and refuse to accept successful completion of or participation in any of these pre-license, post-license, or continuing education courses for education credit from that education provider upon the failure of that education provider to comply with the provisions of this Act or the rules for the administration of this Act, until such time as the Department receives satisfactory assurance of compliance. The Department shall notify the education provider of the noncompliance and may initiate disciplinary proceedings pursuant to this Act. The Department may refuse to issue,

suspend, revoke, or otherwise discipline the license of an education provider or may withdraw approval of a pre-license, post-license, or continuing education course for good cause. Failure to comply with the requirements of this Section or any other requirements established by rule shall be deemed to be good cause. Disciplinary proceedings shall be conducted by the Board in the same manner as other disciplinary proceedings under this Act.

(i) Pre-license, post-license, and continuing education courses, whether submitted for approval at the time of an education provider's initial application for licensure or otherwise, must meet the following minimum course requirements:

(1) Continuing education courses ~~No continuing education course~~ shall be required to be at least one hour ~~taught in increments longer than 2 hours~~ in duration. For ~~; however, for~~ each one hour of course time ~~in each course,~~ there shall be a minimum of 50 minutes of instruction.

(2) All core curriculum courses shall be provided only in the classroom or through a live, interactive webinar or online distance education format.

(3) Courses provided through a live, interactive webinar shall require all participants to demonstrate their attendance in and attention to the course by answering or responding to at least one polling question per 50 minutes of course instruction.

(4) All participants in courses provided in an online distance education format shall demonstrate proficiency with the subject matter of the course through verifiable responses to questions included in the course content.

(5) Credit for courses completed in a classroom or through a live, interactive webinar or online distance education format shall not require an examination.

(6) Credit for courses provided through correspondence, or by home study, shall require the passage of an in-person, proctored examination.

(j) The Department is authorized to engage a third party as the Board's designee to perform the functions specifically provided for in subsection (f) of this Section, namely that of administering the online system for receipt, review, and approval or denial of new courses.

(k) The Department may adopt any administrative rule consistent with the language and intent of this Act that may be necessary for the implementation and enforcement of this Section.

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

(225 ILCS 454/30-25)

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

Sec. 30-25. Licensing of education provider instructors.

(a) No person shall act as either a pre-license or continuing education instructor without possessing a valid

pre-license or continuing education instructor license and satisfying any other qualification criteria adopted by the Department by rule.

(a-5) Each person with a valid pre-license instructor license may teach pre-license, post-license, continuing education core curriculum, continuing education elective curriculum, or broker management education courses if they meet specific criteria adopted by the Department by rule. Those persons who have not met the criteria or who only possess a valid continuing education instructor license shall only teach continuing education elective curriculum courses. Any person with a valid continuing education instructor license who wishes to teach continuing education core curriculum or broker management continuing education courses must obtain a valid pre-license instructor license.

(b) Every person who desires to obtain an education provider instructor's license shall attend and successfully complete a one-day instructor development workshop, as approved by the Department. However, pre-license instructors who have complied with subsection (b) of this Section 30-25 shall not be required to complete the instructor workshop in order to teach continuing education elective curriculum courses.

(b-5) The term of licensure for a pre-license or continuing education instructor shall be 2 years, with renewal dates adopted by rule. Every person who desires to obtain a

pre-license or continuing education instructor license shall make application to the Department in a manner prescribed by the Department, accompanied by the fee adopted by rule. In addition to any other information required to be contained in the application, every application for an original license shall include the applicant's Social Security number, which shall be retained in the agency'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.

The Department shall issue a pre-license or continuing education instructor license to applicants who meet qualification criteria established by this Act or rule.

(c) The Department may refuse to issue, suspend, revoke, or otherwise discipline a pre-license or continuing education instructor for good cause. Disciplinary proceedings shall be conducted by the Board in the same manner as other disciplinary proceedings under this Act. All pre-license instructors must teach at least one pre-license or continuing education core curriculum course within the period of licensure as a requirement for renewal of the instructor's license. All continuing education instructors must teach at least one course within the period of licensure or take an instructor training program approved by the Department in lieu

thereof as a requirement for renewal of the instructor's license.

(d) Each course transcript submitted by an education provider to the Department shall include the name and license number of the pre-license or continuing education instructor for the course.

(e) Licensed education provider instructors may teach for more than one licensed education provider.

(f) The Department may adopt any administrative rule consistent with the language and intent of this Act that may be necessary for the implementation and enforcement of this Section.

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

(225 ILCS 454/20-21 rep.)

Section 35. The Real Estate License Act of 2000 is amended by repealing Section 20-21.

(225 ILCS 456/Act rep.)

Section 40. The Real Estate Regulation Transfer Act is repealed.

Section 45. The Real Estate Appraiser Licensing Act of 2002 is amended by changing Sections 1-10, 5-25, 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 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.

"AQB" 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 ~~as defined in this Section, who holds a valid unexpired license.~~

"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.)

(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 renew a license if the licensee has an unpaid fine or fee from a disciplinary matter or ~~an unpaid fee~~ from a non-disciplinary action imposed by the Department until the fine or fee is paid to the Department or the licensee has entered into a payment plan and is current on the required payments.

(i) The Department shall not issue a license if the applicant has an unpaid fine imposed by the Department for unlicensed practice until the fine is paid to the Department or the applicant 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.)

(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 against a licensee or applicant for licensure, 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 ~~Real Estate~~ 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 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 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 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 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 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 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 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 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 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 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 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.)

(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 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 ~~shall~~ 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 ~~paid the~~ 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.)

Section 50. The Appraisal Management Company Registration Act is amended by changing Sections 40, 47, and 67 as follows:

(225 ILCS 459/40)

Sec. 40. Qualifications for registration.

(a) The Department may issue a certification of registration to practice under this Act to any applicant who is qualified to do business in this State and applies to the Department on forms provided by the Department, or through a multi-state licensing system as designated by the Secretary, pays the required non-refundable fees, is qualified to transact business in this State, and provides the following:

(1) the business name of the applicant seeking registration;

(2) the business address or addresses and contact information of the applicant seeking registration;

(3) if the business applicant is not a corporation that is domiciled in this State, then the name and contact information for the company's agent for service of process in this State;

(4) the name, address, and contact information for any individual or any corporation, partnership, limited

liability company, association, or other business applicant that owns 10% or more of the appraisal management company ~~along with a completed criminal history records background check as required in Section 68;~~

(5) the name, address, and contact information for a designated controlling person;

(6) a certification that the applicant will utilize Illinois licensed appraisers to provide appraisal services within the State of Illinois;

(7) a certification that the applicant has a system in place utilizing a licensed Illinois appraiser to review the work of all employed and independent appraisers that are performing real estate appraisal services in Illinois for the appraisal management company on a periodic basis, except for a quality control review, to verify that the real estate appraisal assignments are being conducted in accordance with USPAP;

(8) a certification that the applicant maintains a detailed record of each service request that it receives and the independent appraiser that performs the real estate appraisal services for the appraisal management company;

(9) a certification that the employees of the appraisal management company working on behalf of the appraisal management company directly involved in providing appraisal management services, will be

appropriately trained and familiar with the appraisal process to completely provide appraisal management services;

(10) an irrevocable Uniform Consent to Service of Process, under rule; and

(11) a certification that the applicant shall comply with all other requirements of this Act and rules established for the implementation of this Act.

(b) Applicants have 3 years from the date of application to complete the application process. If the process has not been completed in 3 years, the application shall be denied, the fee shall be forfeited, and the applicant must reapply and meet the requirements in effect at the time of reapplication.

(Source: P.A. 100-604, eff. 7-13-18.)

(225 ILCS 459/47)

Sec. 47. Report ~~Annual report~~; investigation; costs. Each registrant shall provide ~~annually file a report with the Secretary for the calendar year period from January 1 through December 31, giving relevant~~ information as the Secretary may reasonably require concerning, and for the purpose of examination for compliance with federal and State regulations, the business and operations ~~during the preceding fiscal year period~~ of each registered appraisal management company conducted by the registrant within the State. The Secretary may, at any time, examine the books and records of an appraisal

management company operating in the State and require the appraisal management company to submit reports, information and documents. ~~The report shall be made under oath and shall be in the form prescribed by rule.~~ The Secretary may, at any time, investigate a registrant and every person, partnership, association, limited liability company, corporation, or other business entity who or which is engaged in the business of operating an appraisal management company. For that purpose, the Secretary shall have free access to the offices and places of business and to records of all persons, firms, partnerships, associations, limited liability companies and members thereof, and corporations and to the officers and directors thereof that relate to the appraisal management company. The investigation may be conducted in conjunction with representatives of other State agencies or agencies of another state or of the United States as determined by the Secretary. The Secretary may require by subpoena the attendance of and examine under oath all persons whose testimony the Secretary ~~he or she~~ may require relative to the appraisal management company, and, in those cases, the Secretary, or a designee of the Secretary ~~representative whom he or she may designate~~, may administer oaths to all persons called as witnesses, and the Secretary, or a representative of the Secretary, may conduct an audit, and there shall be paid to the Secretary for each audit a fee, to be established by rule, for each day or part thereof for each representative



designated and required to conduct the audit.

(Source: P.A. 100-604, eff. 7-13-18.)

(225 ILCS 459/67)

Sec. 67. Good moral character. If an applicant, registrant, controlling person, or any person with an ownership interest in ~~of~~ the applicant or registrant, has had a license or registration revoked on a prior occasion, has been found to have committed any of the practices enumerated in Section 65, has been convicted of or entered a plea of guilty or nolo contendere to forgery, embezzlement, obtaining money under false pretenses, larceny, extortion, conspiracy to defraud, or a similar offense or offenses, or has been convicted of a felony involving moral turpitude in a court of competent jurisdiction in this State or any other state, district, or territory of the United States or of a foreign country, the Department may consider the prior revocation, conduct, or conviction in its determination of ~~the applicant's~~ moral character of the applicant, registrant, controlling person, or person with ownership interest and whether to grant the ~~applicant's~~ registration or renewal. In its consideration of the prior revocation, conduct, or conviction, the Department shall take into account the nature of the conduct, any aggravating or extenuating circumstances, the time elapsed since the revocation, conduct, or conviction, the rehabilitation or restitution performed ~~by the applicant~~, and

any other factors that the Department deems relevant. When an applicant, registrant, controlling person, or person with ownership interest has made a false statement of material fact on any ~~his or her~~ application, the false statement may in itself be sufficient grounds to revoke or refuse to issue or renew a registration.

(Source: P.A. 100-604, eff. 7-13-18.)

(225 ILCS 459/68 rep.)

Section 55. The Appraisal Management Company Registration Act is amended by repealing Section 68.

Section 60. The Professional Limited Liability Company Act is amended by changing Section 13 as follows:

(805 ILCS 185/13)

Sec. 13. Nature of business.

(a) A professional limited liability company may be formed to provide a professional service or services licensed by the Department except:

(1) the practice of dentistry unless all the members and managers are licensed as dentists under the Illinois Dental Practice Act;

(2) the practice of medicine unless all the managers, if any, are licensed to practice medicine under the Medical Practice Act of 1987 and each member is either:

(A) licensed to practice medicine under the Medical Practice Act of 1987;

(B) a registered medical corporation or corporations organized pursuant to the Medical Corporation Act;

(C) a professional corporation organized pursuant to the Professional Service Corporation Act of physicians licensed to practice under the Medical Practice Act of 1987;

(D) a hospital or hospital affiliate as defined in Section 10.8 of the Hospital Licensing Act; or

(E) a professional limited liability company that satisfies the requirements of subparagraph (A), (B), (C), or (D);

(3) the practice of real estate unless all the members and managers, if any, that actively participate in the real estate activities of the professional limited liability company ~~or every member in a member managed company~~ are licensed to practice as a managing broker or broker pursuant to the Real Estate License Act of 2000. All nonparticipating members or managers shall submit affidavits of nonparticipation as required by the Department and the Real Estate License Act of 2000;

(4) the practice of clinical psychology unless all the managers and members are licensed to practice as a clinical psychologist under the Clinical Psychologist

Licensing Act;

(5) the practice of social work unless all the managers and members are licensed to practice as a clinical social worker or social worker under the Clinical Social Work and Social Work Practice Act;

(6) the practice of marriage and family therapy unless all the managers and members are licensed to practice as a marriage and family therapist under the Marriage and Family Therapy Licensing Act;

(7) the practice of professional counseling unless all the managers and members are licensed to practice as a clinical professional counselor or a professional counselor under the Professional Counselor and Clinical Professional Counselor Licensing and Practice Act;

(8) the practice of sex offender evaluation and treatment unless all the managers and members are licensed to practice as a sex offender evaluator or sex offender treatment provider under the Sex Offender Evaluation and Treatment Provider Act; or

(9) the practice of veterinary medicine unless all the managers and members are licensed to practice as a veterinarian under the Veterinary Medicine and Surgery Practice Act of 2004.

(b) Notwithstanding any provision of this Section, any of the following professional services may be combined and offered within a single professional limited liability company

provided that each professional service is offered only by persons licensed to provide that professional service and all managers and members are licensed in at least one of the professional services offered by the professional limited liability company:

(1) the practice of medicine by physicians licensed under the Medical Practice Act of 1987, the practice of podiatry by podiatric physicians licensed under the Podiatric Medical Practice Act of 1987, the practice of dentistry by dentists licensed under the Illinois Dental Practice Act, and the practice of optometry by optometrists licensed under the Illinois Optometric Practice Act of 1987; ~~or~~

(2) the practice of clinical psychology by clinical psychologists licensed under the Clinical Psychologist Licensing Act, the practice of social work by clinical social workers or social workers licensed under the Clinical Social Work and Social Work Practice Act, the practice of marriage and family counseling by marriage and family therapists licensed under the Marriage and Family Therapy Licensing Act, the practice of professional counseling by professional counselors and clinical professional counselors licensed under the Professional Counselor and Clinical Professional Counselor Licensing and Practice Act, and the practice of sex offender evaluation and treatment by sex offender evaluators and

sex offender treatment providers licensed under the Sex Offender Evaluation and Treatment Provider Act;

(3) the practice of architecture by persons licensed under the Illinois Architecture Practice Act of 1989, the practice of professional engineering by persons licensed under the Professional Engineering Practice Act of 1989, the practice of structural engineering by persons licensed under the Structural Engineering Practice Act of 1989, and the practice of land surveying by persons licensed under the Illinois Professional Land Surveyor Act of 1989; or

(4) the practice of acupuncture by persons licensed under the Acupuncture Practice Act, the practice of massage by persons licensed under the Massage Licensing Act, the practice of naprapathy by persons licensed under the Naprapathic Practice Act, the practice of occupational therapy by persons licensed under the Illinois Occupational Therapy Practice Act, the practice of physical therapy by persons licensed under the Illinois Physical Therapy Act, and the practice of speech-language pathology by persons licensed under the Illinois Speech-Language Pathology and Audiology Practice Act.

(Source: P.A. 100-894, eff. 8-14-18.)

Section 99. Effective date. This Act takes effect upon becoming law, except that Section 10 takes effect on October 1, 2023.

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