



SENATE JOURNAL

STATE OF ILLINOIS

NINETY-EIGHTH GENERAL ASSEMBLY

57TH LEGISLATIVE DAY

FRIDAY, MAY 24, 2013

12:36 O'CLOCK P.M.

SENATE
Daily Journal Index
57th Legislative Day

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The Senate met pursuant to adjournment.
Senator James F. Clayborne, Belleville, Illinois, presiding.
Prayer by Pastor Bill Jensen, Wittenberg Lutheran Center, Illinois State University, Bloomington,
Illinois.

Senator Jacobs led the Senate in the Pledge of Allegiance.

Senator Hunter moved that reading and approval of the Journal of Thursday, May 23, 2013, be postponed, pending arrival of the printed Journal.

The motion prevailed.

LEGISLATIVE MEASURE FILED

The following Floor amendment to the House Bill listed below has been filed with the Secretary and referred to the Committee on Assignments:

Senate Floor Amendment No. 1 to House Bill 1810

JOINT ACTION MOTIONS FILED

The following Joint Action Motions to the Senate Bills listed below have been filed with the Secretary and referred to the Committee on Assignments:

Motion to Concur in House Amendment 2 to Senate Bill 1358

Motion to Concur in House Amendment 1 to Senate Bill 1474

Motion to Concur in House Amendment 1 to Senate Bill 1775

MESSAGE FROM THE PRESIDENT

**OFFICE OF THE SENATE PRESIDENT
STATE OF ILLINOIS**

JOHN J. CULLERTON
SENATE PRESIDENT

327 STATE CAPITOL
SPRINGFIELD, IL 62706
217-782-2728

May 21, 2013

Mr. Tim Anderson
Secretary of the Senate
Room 401 State House
Springfield, IL 62706

Dear Mr. Secretary:

Pursuant to Rule 3-5(c), I hereby appoint Senator Iris Martinez to temporarily replace Senator William Delgado Chairman of the Senate Education Committee. This appointment will automatically expire upon adjournment of the Senate Education Committee.

Sincerely,
s/John J. Cullerton
John J. Cullerton
Senate President

cc: Senate Minority Leader Christine Radogno

[May 24, 2013]

COMMUNICATIONS

**ILLINOIS STATE SENATE
DON HARMON
PRESIDENT PRO TEMPORE
39TH DISTRICT**

DISCLOSURE TO THE SENATE

Date: 5-23-13

Legislative Measure(s): HJR 9

Venue:

- Committee on Executive
- Full Senate

X Due to a potential conflict of interest (or the potential appearance thereof), I abstained from voting (or voted "present") on the above legislative measure(s).

Notwithstanding a potential conflict of interest (or the potential appearance thereof), I voted in favor of or against the above legislative measure(s) because I believe doing so is in the best interests of the State.

s/Don Harmon
Senator Don Harmon

**ILLINOIS STATE SENATE
DON HARMON
PRESIDENT PRO TEMPORE
39TH DISTRICT**

DISCLOSURE TO THE SENATE

Date: 5-23-13

Legislative Measure(s): HB 479

Venue:

- Committee on _____
- Full Senate

X Due to a potential conflict of interest (or the potential appearance thereof), I abstained from voting (or voted "present") on the above legislative measure(s).

Notwithstanding a potential conflict of interest (or the potential appearance thereof), I voted in favor of or against the above legislative measure(s) because I believe doing so is in the best interests of the State.

s/Don Harmon
Senator Don Harmon

**ILLINOIS STATE SENATE
DON HARMON
PRESIDENT PRO TEMPORE
39TH DISTRICT**

[May 24, 2013]

DISCLOSURE TO THE SENATE

Date: 5-23-13

Legislative Measure(s): HB 2993

Venue:

Committee on _____
 Full Senate

Due to a potential conflict of interest (or the potential appearance thereof), I abstained from voting (or voted "present") on the above legislative measure(s).

Notwithstanding a potential conflict of interest (or the potential appearance thereof), I voted in favor of or against the above legislative measure(s) because I believe doing so is in the best interests of the State.

s/Don Harmon
 Senator Don Harmon

PRESENTATION OF RESOLUTIONS**SENATE RESOLUTION NO. 330**

Offered by Senator Haine and all Senators:
 Mourns the death of Timothy Paul Palermo of Wood River.

SENATE RESOLUTION NO. 331

Offered by Senator Jacobs and all Senators:
 Mourns the death of Richard "Dick" Everett Fallow of Davenport, Iowa.

SENATE RESOLUTION NO. 332

Offered by Senator Manar and all Senators:
 Mourns the death of Clara Eileen (nee Bruening) Kirkwood of Bunker Hill.

SENATE RESOLUTION NO. 333

Offered by Senator Harris and all Senators:
 Mourns the death of David Webb, Sr.

By unanimous consent, the foregoing resolutions were referred to the Resolutions Consent Calendar.

REPORTS FROM STANDING COMMITTEES

Senator Martinez, Chairperson of the Committee on Education, to which was referred the Motion to Concur with House Amendment to the following Senate Bill, reported that the Committee recommends do adopt:

Motion to Concur in House Amendment 1 to Senate Bill 2199

Under the rules, the foregoing motion is eligible for consideration by the Senate.

Senator Mulroe, Vice-Chairperson of the Committee on Judiciary, to which was referred the Motions to Concur with House Amendments to the following Senate Bills, reported that the Committee recommends do adopt:

[May 24, 2013]

Motion to Concur in House Amendment 1 to Senate Bill 1210; Motion to Concur in House Amendment 1 to Senate Bill 1923; Motion to Concur in House Amendment 2 to Senate Bill 2101

Under the rules, the foregoing motions are eligible for consideration by the Senate.

Senator E. Jones, III, Chairperson of the Committee on Local Government, to which was referred the Motions to Concur with House Amendments to the following Senate Bills, reported that the Committee recommends do adopt:

Motion to Concur in House Amendment 2 to Senate Bill 1430; Motion to Concur in House Amendments 1 and 2 to Senate Bill 1908; Motion to Concur in House Amendment 1 to Senate Bill 1930

Under the rules, the foregoing motions are eligible for consideration by the Senate.

Senator Noland, Chairperson of the Committee on Criminal Law, to which was referred the Motions to Concur with House Amendments to the following Senate Bills, reported that the Committee recommends do adopt:

Motion to Concur in House Amendment 2 to Senate Bill 1598; Motion to Concur in House Amendment 1 to Senate Bill 1609; Motion to Concur in House Amendment 1 to Senate Bill 1862; Motion to Concur in House Amendment 1 to Senate Bill 1940

Under the rules, the foregoing motions are eligible for consideration by the Senate.

Senator Noland, Chairperson of the Committee on Criminal Law, to which was referred the following Senate floor amendments, reported that the Committee recommends do adopt:

Senate Amendment No. 3 to House Bill 1443
Senate Amendment No. 2 to House Bill 3021

Under the rules, the foregoing floor amendments are eligible for consideration on second reading.

Senator Landek, Chairperson of the Committee on State Government and Veterans Affairs, to which was referred the Motions to Concur with House Amendments to the following Senate Bills, reported that the Committee recommends do adopt:

Motion to Concur in House Amendment 1 to Senate Bill 206; Motion to Concur in House Amendment 1 to Senate Bill 2233

Under the rules, the foregoing motions are eligible for consideration by the Senate.

Senator Harmon, Chairperson of the Committee on Executive, to which was referred **Senate Resolution No. 236**, reported the same back with the recommendation that the resolution be adopted.

Under the rules, **Senate Resolution No. 236** was placed on the Secretary's Desk.

Senator Harmon, Chairperson of the Committee on Executive, to which was referred the Motions to Concur with House Amendments to the following Senate Bills, reported that the Committee recommends do adopt:

Motion to Concur in House Amendment 1 to Senate Bill 1640

Under the rules, the foregoing motions are eligible for consideration by the Senate.

Senator Harmon, Chairperson of the Committee on Executive, to which was referred the following Senate floor amendment, reported that the Committee recommends do adopt:

[May 24, 2013]

Senate Amendment No. 2 to House Bill 3112

Under the rules, the foregoing floor amendment is eligible for consideration on second reading.

REPORTS FROM COMMITTEE ON ASSIGNMENTS

Senator Clayborne, Chairperson of the Committee on Assignments, during its May 24, 2013 meeting, reported that the Committee recommends that **Senate Floor Amendment No. 1 House Bill No. 1335** be re-referred from the Committee on Insurance to the Committee on Assignments.

Senator Clayborne, Chairperson of the Committee on Assignments, during its May 24, 2013 meeting, reported that the Committee recommends that **Senate Floor Amendment No. 3 House Bill No. 2773** be re-referred from the Committee on Transportation to the Committee on Assignments.

Senator Clayborne, Chairperson of the Committee on Assignments, during its May 24, 2013 meeting, reported that the following Legislative Measures have been approved for consideration:

Senate Floor Amendment No. 1 to House Bill 1335
Senate Floor Amendment No. 3 to House Bill 2773

The foregoing floor amendments were placed on the Secretary's Desk.

HOUSE BILL RECALLED

On motion of Senator Hutchinson, **House Bill No. 490** was recalled from the order of third reading to the order of second reading.

Senator Hutchinson offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO HOUSE BILL 490

AMENDMENT NO. 2. Amend House Bill 490, AS AMENDED, with reference to page and line numbers of Senate Amendment No. 1, on page 2, lines 8 through 10, by replacing "~~unless the endorsement the individual is seeking does not require passage of the test~~" with ", unless the endorsement the individual is seeking does not require passage of the test".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the bill, as amended, was ordered to a third reading.

READING BILL FROM THE HOUSE OF REPRESENTATIVES A THIRD TIME

On motion of Senator Hutchinson, **House Bill No. 490** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 48; NAYS 3.

The following voted in the affirmative:

Althoff	Frerichs	Landek	Righter
Barickman	Haine	Link	Rose
Bertino-Tarrant	Harmon	Manar	Sandoval
Biss	Harris	Martinez	Stadelman

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Brady	Hastings	McCann	Steans
Bush	Holmes	McConnaughay	Sullivan
Clayborne	Hunter	McGuire	Syverson
Collins	Hutchinson	Mulroe	Van Pelt
Connelly	Jacobs	Muñoz	Mr. President
Cullerton, T.	Jones, E.	Noland	
Cunningham	Koehler	Radogno	
Dillard	Kotowski	Raoul	
Forby	LaHood	Rezin	

The following voted in the negative:

Duffy
McCarter
Oberweis

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendments adopted thereto.

HOUSE BILL RECALLED

On motion of Senator Holmes, **House Bill No. 922** was recalled from the order of third reading to the order of second reading.

Senate Floor Amendment No. 1 was postponed in the Committee on Commerce.

Senator Holmes offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO HOUSE BILL 922

AMENDMENT NO. 2. Amend House Bill 922 by replacing everything after the enacting clause with the following:

"Section 5. The Prevailing Wage Act is amended by changing Sections 5 and 11 as follows:
(820 ILCS 130/5) (from Ch. 48, par. 39s-5)

Sec. 5. Certified payroll.

(a) Any contractor and each subcontractor who participates in public works shall:

(1) make and keep, for a period of not less than 3 years from the date of the last payment made before the effective date of this amendatory Act of the 98th General Assembly and for a period of 5 years from the date of the last payment made on or after the effective date of this amendatory Act of the 98th General Assembly on a contract or subcontract for public works, records of all laborers, mechanics, and other workers employed by them on the project; the records shall include each worker's name, address, telephone number when available, social security number, classification or classifications, the hourly wages paid in each pay period, the number of hours worked each day, and the starting and ending times of work each day; and

(2) no later than the tenth day of each calendar month file a certified payroll for the immediately preceding month with the public body in charge of the project. A certified payroll must be filed for only those calendar months during which construction on a public works project has occurred. The certified payroll shall consist of a complete copy of the records identified in paragraph (1) of this subsection (a), but may exclude the starting and ending times of work each day. The certified payroll shall be accompanied by a statement signed by the contractor or subcontractor or an officer, employee, or agent of the contractor or subcontractor which avers that: (i) he or she has examined the certified payroll records required to be submitted by the Act and such records are true and accurate; (ii) the hourly rate paid to each worker is not less than the general prevailing rate of hourly wages required by this Act; and (iii) the contractor or subcontractor is aware that filing a certified payroll that he or she knows to be false is a Class A misdemeanor. A general contractor is not prohibited from relying on the certification of a lower tier subcontractor, provided the general contractor does not knowingly rely upon a subcontractor's false certification. Any contractor or subcontractor subject to this Act and any officer, employee, or agent of such contractor or

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subcontractor whose duty as such officer, employee, or agent it is to file such certified payroll who willfully fails to file such a certified payroll on or before the date such certified payroll is required by this paragraph to be filed and any person who willfully files a false certified payroll that is false as to any material fact is in violation of this Act and guilty of a Class A misdemeanor. The public body in charge of the project shall keep the records submitted in accordance with this paragraph (2) of subsection (a) before the effective date of this amendatory Act of the 98th General Assembly for a period of not less than 3 years, and the records submitted in accordance with this paragraph (2) of subsection (a) on or after the effective date of this amendatory Act of the 98th General Assembly for a period of 5 years, from the date of the last payment for work on a contract or subcontract for public works. The records submitted in accordance with this paragraph (2) of subsection (a) shall be considered public records, except an employee's address, telephone number, and social security number, and made available in accordance with the Freedom of Information Act. The public body shall accept any reasonable submissions by the contractor that meet the requirements of this Section.

A contractor, subcontractor, or public body may retain records required under this Section in paper or electronic format.

(b) Upon 7 business days' notice, the contractor and each subcontractor shall make available for inspection and copying at a location within this State during reasonable hours, the records identified in paragraph (1) of subsection (a) of this Section to the public body in charge of the project, its officers and agents, the Director of Labor and his deputies and agents, and to federal, State, or local law enforcement agencies and prosecutors.

(Source: P.A. 97-571, eff. 1-1-12.)

(820 ILCS 130/11) (from Ch. 48, par. 39s-11)

Sec. 11. No public works project shall be instituted unless the provisions of this Act have been complied with. The provisions of this Act shall not be applicable to Federal construction projects which require a prevailing wage determination by the United States Secretary of Labor. The Illinois Department of Labor represented by the Attorney General is empowered to sue for injunctive relief against the awarding of any contract or the continuation of work under any contract for public works at a time when the prevailing wage prerequisites have not been met. Any contract for public works awarded at a time when the prevailing wage prerequisites had not been met shall be void as against public policy and the contractor is prohibited from recovering any damages for the voiding of the contract or pursuant to the terms of the contract. The contractor is limited to a claim for amounts actually paid for labor and materials supplied to the public body. Where objections to a determination of the prevailing rate of wages or a court action relative thereto is pending, the public body shall not continue work on the project unless sufficient funds are available to pay increased wages if such are finally determined or unless the Department of Labor certifies such determination of the prevailing rate of wages as correct.

Any laborer, worker or mechanic employed by the contractor or by any sub-contractor under him who is paid for his services in a sum less than the stipulated rates for work done under such contract, shall have a right of action for whatever difference there may be between the amount so paid, and the rates provided by the contract together with costs and such reasonable attorney's fees as shall be allowed by the court. Such contractor or subcontractor shall also be liable to the Department of Labor for 20% of such underpayments and shall be additionally liable to the laborer, worker or mechanic for punitive damages in the amount of 2% of the amount of any such penalty to the State for underpayments for each month following the date of payment during which such underpayments remain unpaid. Where a second or subsequent action to recover underpayments is brought against a contractor or subcontractor and the contractor or subcontractor is found liable for underpayments to any laborer, worker, or mechanic, the contractor or subcontractor shall also be liable to the Department of Labor for 50% of the underpayments payable as a result of the second or subsequent action, and shall be additionally liable for 5% of the amount of any such penalty to the State for underpayments for each month following the date of payment during which the underpayments remain unpaid. The Department shall also have a right of action on behalf of any individual who has a right of action under this Section. An action brought to recover same shall be deemed to be a suit for wages, and any and all judgments entered therein shall have the same force and effect as other judgments for wages. The action shall be brought within 5 years from the date of the failure to pay the wages or compensation. At the request of any laborer, workman or mechanic employed by the contractor or by any subcontractor under him who is paid less than the prevailing wage rate required by this Act, the Department of Labor may take an assignment of such wage claim in trust for the assigning laborer, workman or mechanic and may bring any legal action necessary to collect such claim, and the contractor or subcontractor shall be required to pay the costs incurred in collecting such claim.

(Source: P.A. 94-488, eff. 1-1-06.)"

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the bill, as amended, was ordered to a third reading.

READING BILLS FROM THE HOUSE OF REPRESENTATIVES A THIRD TIME

On motion of Senator Holmes, **House Bill No. 922** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 40; NAYS 10.

The following voted in the affirmative:

Althoff	Harmon	Link	Sandoval
Bertino-Tarrant	Harris	Manar	Stadelman
Biss	Hastings	Martinez	Steans
Bush	Holmes	McConnaughay	Sullivan
Clayborne	Hunter	McGuire	Syverson
Collins	Hutchinson	Mulroe	Van Pelt
Cullerton, T.	Jacobs	Muñoz	Mr. President
Cunningham	Jones, E.	Noland	
Forby	Koehler	Radogno	
Frerichs	Kotowski	Raoul	
Haine	Landek	Righter	

The following voted in the negative:

Barickman	Duffy	McCarter	Rose
Connelly	LaHood	Oberweis	
Dillard	McCann	Rezin	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

On motion of Senator Sandoval, **House Bill No. 1330** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 52; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Link	Rezin
Barickman	Frerichs	Luechtefeld	Righter
Bertino-Tarrant	Haine	Manar	Rose
Biss	Harris	Martinez	Sandoval
Bivins	Hastings	McCann	Stadelman
Brady	Holmes	McCarter	Steans
Bush	Hunter	McConnaughay	Sullivan
Clayborne	Hutchinson	McGuire	Syverson

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Collins	Jacobs	Mulroe	Van Pelt
Connelly	Jones, E.	Muñoz	Mr. President
Cullerton, T.	Koehler	Noland	
Cunningham	Kotowski	Oberweis	
Dillard	LaHood	Radogno	
Duffy	Landek	Raoul	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof.

HOUSE BILL RECALLED

On motion of Senator Mulroe, **House Bill No. 1335** was recalled from the order of third reading to the order of second reading.

Senator Mulroe offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO HOUSE BILL 1335

AMENDMENT NO. 1. Amend House Bill 1335 on page 9, line 5, by deleting "and"; and

on page 9 by replacing line 11 with the following:

"subsection (c) of this Section; and

(3) the cashier's check, teller's check, or certified check is delivered to the title insurance company, title insurance agent, or independent escrowee in sufficient time for the check to be deposited into the title insurance company's, title insurance agent's, or independent escrowee's fiduciary trust account prior to disbursement from the fiduciary trust account of the title insurance company, title insurance agent, or independent escrowee.

The provisions of this subsection (a-5) are inoperative on and after January 1, 2015."

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the bill, as amended, was ordered to a third reading.

READING BILL FROM THE HOUSE OF REPRESENTATIVES A THIRD TIME

On motion of Senator Mulroe, **House Bill No. 1335** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 49; NAYS 2; Present 2.

The following voted in the affirmative:

Althoff	Haine	Link	Raoul
Bertino-Tarrant	Harmon	Luechtefeld	Rezin
Biss	Harris	Manar	Righter
Bivins	Hastings	Martinez	Rose
Bush	Holmes	McCann	Sandoval
Clayborne	Hunter	McCarter	Stadelman
Collins	Hutchinson	McConnaughay	Steans
Cullerton, T.	Jacobs	McGuire	Sullivan
Cunningham	Jones, E.	Mulroe	Syverson
Dillard	Koehler	Muñoz	Van Pelt
Duffy	Kotowski	Noland	
Forby	LaHood	Oberweis	

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Frerichs

Landek

Radogno

The following voted in the negative:

Barickman
Connelly

The following voted present:

Brady
Mr. President

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

HOUSE BILL RECALLED

On motion of Senator Sullivan, **House Bill No. 2773** was recalled from the order of third reading to the order of second reading.

Senate Floor Amendment No. 1 was postponed in the Committee on Transportation.

Senator Sullivan offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO HOUSE BILL 2773

AMENDMENT NO. 2. Amend House Bill 2773 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Vehicle Code is amended by changing Sections 5-101, 5-102, and 5-102.7 as follows:

(625 ILCS 5/5-101) (from Ch. 95 1/2, par. 5-101)

Sec. 5-101. New vehicle dealers must be licensed.

(a) No person shall engage in this State in the business of selling or dealing in, on consignment or otherwise, new vehicles of any make, or act as an intermediary or agent or broker for any licensed dealer or vehicle purchaser other than as a salesperson, or represent or advertise that he is so engaged or intends to so engage in such business unless licensed to do so in writing by the Secretary of State under the provisions of this Section.

(b) An application for a new vehicle dealer's license shall be filed with the Secretary of State, duly verified by oath, on such form as the Secretary of State may by rule or regulation prescribe and shall contain:

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

2. If the applicant is a corporation, a list of its officers, directors, and shareholders having a ten percent or greater ownership interest in the corporation, setting forth the residence address of each; if the applicant is a sole proprietorship, a partnership, an unincorporated association, a trust, or any similar form of business organization, the name and residence address of the proprietor or of each partner, member, officer, director, trustee, or manager.

3. The make or makes of new vehicles which the applicant will offer for sale at retail in this State.

4. The name of each manufacturer or franchised distributor, if any, of new vehicles with whom the applicant has contracted for the sale of such new vehicles. As evidence of this fact, the application shall be accompanied by a signed statement from each such manufacturer or franchised distributor. If the applicant is in the business of offering for sale new conversion vehicles, trucks or vans, except for trucks modified to serve a special purpose which includes but is not limited to the following vehicles: street sweepers, fertilizer spreaders, emergency vehicles, implements of husbandry or maintenance type vehicles, he must furnish evidence of a sales and service agreement from both the chassis manufacturer and second stage manufacturer.

5. A statement that the applicant has been approved for registration under the

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Retailers' Occupation Tax Act by the Department of Revenue: Provided that this requirement does not apply to a dealer who is already licensed hereunder with the Secretary of State, and who is merely applying for a renewal of his license. As evidence of this fact, the application shall be accompanied by a certification from the Department of Revenue showing that that Department has approved the applicant for registration under the Retailers' Occupation Tax Act.

6. A statement that the applicant has complied with the appropriate liability insurance requirement. A Certificate of Insurance in a solvent company authorized to do business in the State of Illinois shall be included with each application covering each location at which he proposes to act as a new vehicle dealer. The policy must provide liability coverage in the minimum amounts of \$100,000 for bodily injury to, or death of, any person, \$300,000 for bodily injury to, or death of, two or more persons in any one accident, and \$50,000 for damage to property. Such policy shall expire not sooner than December 31 of the year for which the license was issued or renewed. The expiration of the insurance policy shall not terminate the liability under the policy arising during the period for which the policy was filed. Trailer and mobile home dealers are exempt from this requirement.

If the permitted user has a liability insurance policy that provides automobile liability insurance coverage of at least \$100,000 for bodily injury to or the death of any person, \$300,000 for bodily injury to or the death of any 2 or more persons in any one accident, and \$50,000 for damage to property, then the permitted user's insurer shall be the primary insurer and the dealer's insurer shall be the secondary insurer. If the permitted user does not have a liability insurance policy that provides automobile liability insurance coverage of at least \$100,000 for bodily injury to or the death of any person, \$300,000 for bodily injury to or the death of any 2 or more persons in any one accident, and \$50,000 for damage to property, or does not have any insurance at all, then the dealer's insurer shall be the primary insurer and the permitted user's insurer shall be the secondary insurer.

When a permitted user is "test driving" a new vehicle dealer's automobile, the new vehicle dealer's insurance shall be primary and the permitted user's insurance shall be secondary.

As used in this paragraph 6, a "permitted user" is a person who, with the permission of the new vehicle dealer or an employee of the new vehicle dealer, drives a vehicle owned and held for sale or lease by the new vehicle dealer which the person is considering to purchase or lease, in order to evaluate the performance, reliability, or condition of the vehicle. The term "permitted user" also includes a person who, with the permission of the new vehicle dealer, drives a vehicle owned or held for sale or lease by the new vehicle dealer for loaner purposes while the user's vehicle is being repaired or evaluated.

As used in this paragraph 6, "test driving" occurs when a permitted user who, with the permission of the new vehicle dealer or an employee of the new vehicle dealer, drives a vehicle owned and held for sale or lease by a new vehicle dealer that the person is considering to purchase or lease, in order to evaluate the performance, reliability, or condition of the vehicle.

As used in this paragraph 6, "loaner purposes" means when a person who, with the permission of the new vehicle dealer, drives a vehicle owned or held for sale or lease by the new vehicle dealer while the user's vehicle is being repaired or evaluated.

7. (A) An application for a new motor vehicle dealer's license shall be accompanied by the following license fees:

(i) \$1,000 for applicant's established place of business, and \$100 for each additional place of business, if any, to which the application pertains; but if the application is made after June 15 of any year, the license fee shall be \$500 for applicant's established place of business plus \$50 for each additional place of business, if any, to which the application pertains. License fees shall be returnable only in the event that the application is denied by the Secretary of State. All moneys received by the Secretary of State as license fees under this subparagraph (i) prior to applications for the 2004 licensing year shall be deposited into the Motor Vehicle Review Board Fund and shall be used to administer the Motor Vehicle Review Board under the Motor Vehicle Franchise Act. Of the money received by the Secretary of State as license fees under this subparagraph (i) for the 2004 licensing year and thereafter, 10% shall be deposited into the Motor Vehicle Review Board Fund and shall be used to administer the Motor Vehicle Review Board under the Motor Vehicle Franchise Act and 90% shall be deposited into the General Revenue Fund.

(ii) Except as provided in subsection (h) of Section 5-102.7 of this Code, an Annual Dealer Recovery Fund Fee. For applications for the initial issuance of a dealer's license, the fee shall be in the amount of \$500 for the applicant's established place of business, and \$50 for each additional place of business, if any, to which the application pertains; but if the application is made after June 15 of any year, the fee shall be \$250 for the applicant's established place of business plus \$25 for each additional place of business, if any, to which the application pertains. For a license

renewal application, the fee shall be based on the amount of automobiles sold in the past year according to the following formula:

- (1) \$0 for dealers selling 25 or less automobiles;
- (2) \$150 for dealers selling more than 25 but less than 200 automobiles;
- (3) \$300 for dealers selling 200 or more automobiles but less than 300 automobiles; and
- (4) \$500 for dealers selling 300 or more automobiles.

License fees shall be returnable only in the event that the application is denied by the Secretary of State. Moneys received under this subparagraph (ii) shall be deposited into the Dealer Recovery Trust Fund.

(B) An application for a new vehicle dealer's license, other than for a new motor vehicle dealer's license, shall be accompanied by the following license fees:

(i) \$1,000 for applicant's established place of business, and \$50 for each additional place of business, if any, to which the application pertains; but if the application is made after June 15 of any year, the license fee shall be \$500 for applicant's established place of business plus \$25 for each additional place of business, if any, to which the application pertains. License fees shall be returnable only in the event that the application is denied by the Secretary of State. Of the money received by the Secretary of State as license fees under this subparagraph (i) for the 2004 licensing year and thereafter, 95% shall be deposited into the General Revenue Fund.

(ii) Except as provided in subsection (h) of Section 5-102.7 of this Code, an Annual Dealer Recovery Fund Fee in the amount of \$500 for the applicant's established place of business, and \$50 for each additional place of business, if any, to which the application pertains; but if the application is made after June 15 of any year, the fee shall be \$250 for the applicant's established place of business plus \$25 for each additional place of business, if any, to which the application pertains. License fees shall be returnable only in the event that the application is denied by the Secretary of State. Moneys received under this subparagraph (ii) shall be deposited into the Dealer Recovery Trust Fund.

8. A statement that the applicant's officers, directors, shareholders having a 10% or greater ownership interest therein, proprietor, a partner, member, officer, director, trustee, manager or other principals in the business have not committed in the past 3 years any one violation as determined in any civil, criminal or administrative proceedings of any one of the following Acts:

- (A) The Anti Theft Laws of the Illinois Vehicle Code;
- (B) The Certificate of Title Laws of the Illinois Vehicle Code;
- (C) The Offenses against Registration and Certificates of Title Laws of the Illinois Vehicle Code;
- (D) The Dealers, Transporters, Wreckers and Rebuilders Laws of the Illinois Vehicle Code;
- (E) Section 21-2 of the Criminal Code of 1961 or the Criminal Code of 2012, Criminal Trespass to Vehicles; or
- (F) The Retailers' Occupation Tax Act.

9. A statement that the applicant's officers, directors, shareholders having a 10% or greater ownership interest therein, proprietor, partner, member, officer, director, trustee, manager or other principals in the business have not committed in any calendar year 3 or more violations, as determined in any civil, criminal or administrative proceedings, of any one or more of the following Acts:

- (A) The Consumer Finance Act;
- (B) The Consumer Installment Loan Act;
- (C) The Retail Installment Sales Act;
- (D) The Motor Vehicle Retail Installment Sales Act;
- (E) The Interest Act;
- (F) The Illinois Wage Assignment Act;
- (G) Part 8 of Article XII of the Code of Civil Procedure; or
- (H) The Consumer Fraud Act.

10. A bond or certificate of deposit in the amount of \$20,000 for each location at which the applicant intends to act as a new vehicle dealer. The bond shall be for the term of the license, or its renewal, for which application is made, and shall expire not sooner than December 31 of the year for which the license was issued or renewed. The bond shall run to the People of the State of Illinois, with surety by a bonding or insurance company authorized to do business in this State. It shall be conditioned upon the proper transmittal of all title and registration fees and taxes (excluding taxes under the Retailers' Occupation Tax Act) accepted by the applicant as a new vehicle dealer.

11. Such other information concerning the business of the applicant as the Secretary of State may by rule or regulation prescribe.

12. A statement that the applicant understands Chapter One through Chapter Five of this Code.

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

(d) Anything in this Chapter 5 to the contrary notwithstanding no person shall be licensed as a new vehicle dealer unless:

1. He is authorized by contract in writing between himself and the manufacturer or franchised distributor of such make of vehicle to so sell the same in this State, and

2. Such person shall maintain an established place of business as defined in this Act.

(e) The Secretary of State shall, within a reasonable time after receipt, examine an application submitted to him under this Section and unless he makes a determination that the application submitted to him does not conform with the requirements of this Section or that grounds exist for a denial of the application, under Section 5-501 of this Chapter, grant the applicant an original new vehicle dealer's license in writing for his established place of business and a supplemental license in writing for each additional place of business in such form as he may prescribe by rule or regulation which shall include the following:

1. The name of the person licensed;

2. If a corporation, the name and address of its officers or if a sole proprietorship, a partnership, an unincorporated association or any similar form of business organization, the name and address of the proprietor or of each partner, member, officer, director, trustee or manager;

3. In the case of an original license, the established place of business of the licensee;

4. In the case of a supplemental license, the established place of business of the licensee and the additional place of business to which such supplemental license pertains;

5. The make or makes of new vehicles which the licensee is licensed to sell.

(f) The appropriate instrument evidencing the license or a certified copy thereof, provided by the Secretary of State, shall be kept posted conspicuously in the established place of business of the licensee and in each additional place of business, if any, maintained by such licensee.

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

(h) A new vehicle dealer's license may be renewed upon application and payment of the fee required herein, and submission of proof of coverage under an approved bond under the "Retailers' Occupation Tax Act" or proof that applicant is not subject to such bonding requirements, as in the case of an original license, but in case an application for the renewal of an effective license is made during the month of December, the effective license shall remain in force until the application is granted or denied by the Secretary of State.

(i) All persons licensed as a new vehicle dealer are required to furnish each purchaser of a motor vehicle:

1. In the case of a new vehicle a manufacturer's statement of origin and in the case of a used motor vehicle a certificate of title, in either case properly assigned to the purchaser;

2. A statement verified under oath that all identifying numbers on the vehicle agree with those on the certificate of title or manufacturer's statement of origin;

3. A bill of sale properly executed on behalf of such person;

4. A copy of the Uniform Invoice-transaction reporting return referred to in Section 5-402 hereof;

5. In the case of a rebuilt vehicle, a copy of the Disclosure of Rebuilt Vehicle Status;

and

6. In the case of a vehicle for which the warranty has been reinstated, a copy of the warranty.

(j) Except at the time of sale or repossession of the vehicle, no person licensed as a new vehicle dealer may issue any other person a newly created key to a vehicle unless the new vehicle dealer makes a copy of the driver's license or State identification card of the person requesting or obtaining the newly created key. The new vehicle dealer must retain the copy for 30 days.

A new vehicle dealer who violates this subsection (j) is guilty of a petty offense. Violation of this

subsection (j) is not cause to suspend, revoke, cancel, or deny renewal of the new vehicle dealer's license.

This amendatory Act of 1983 shall be applicable to the 1984 registration year and thereafter.

(Source: P.A. 97-480, eff. 10-1-11; 97-1150, eff. 1-25-13.)

(625 ILCS 5/5-102) (from Ch. 95 1/2, par. 5-102)

Sec. 5-102. Used vehicle dealers must be licensed.

(a) No person, other than a licensed new vehicle dealer, shall engage in the business of selling or dealing in, on consignment or otherwise, 5 or more used vehicles of any make during the year (except house trailers as authorized by paragraph (j) of this Section and rebuilt salvage vehicles sold by their rebuilders to persons licensed under this Chapter), or act as an intermediary, agent or broker for any licensed dealer or vehicle purchaser (other than as a salesperson) or represent or advertise that he is so engaged or intends to so engage in such business unless licensed to do so by the Secretary of State under the provisions of this Section.

(b) An application for a used vehicle dealer's license shall be filed with the Secretary of State, duly verified by oath, in such form as the Secretary of State may by rule or regulation prescribe and shall contain:

1. The name and type of business organization established and additional places of business, if any, in this State.

2. If the applicant is a corporation, a list of its officers, directors, and shareholders having a ten percent or greater ownership interest in the corporation, setting forth the residence address of each; if the applicant is a sole proprietorship, a partnership, an unincorporated association, a trust, or any similar form of business organization, the names and residence address of the proprietor or of each partner, member, officer, director, trustee or manager.

3. A statement that the applicant has been approved for registration under the Retailers' Occupation Tax Act by the Department of Revenue. However, this requirement does not apply to a dealer who is already licensed hereunder with the Secretary of State, and who is merely applying for a renewal of his license. As evidence of this fact, the application shall be accompanied by a certification from the Department of Revenue showing that the Department has approved the applicant for registration under the Retailers' Occupation Tax Act.

4. A statement that the applicant has complied with the appropriate liability insurance requirement. A Certificate of Insurance in a solvent company authorized to do business in the State of Illinois shall be included with each application covering each location at which he proposes to act as a used vehicle dealer. The policy must provide liability coverage in the minimum amounts of \$100,000 for bodily injury to, or death of, any person, \$300,000 for bodily injury to, or death of, two or more persons in any one accident, and \$50,000 for damage to property. Such policy shall expire not sooner than December 31 of the year for which the license was issued or renewed. The expiration of the insurance policy shall not terminate the liability under the policy arising during the period for which the policy was filed. Trailer and mobile home dealers are exempt from this requirement.

If the permitted user has a liability insurance policy that provides automobile liability insurance coverage of at least \$100,000 for bodily injury to or the death of any person, \$300,000 for bodily injury to or the death of any 2 or more persons in any one accident, and \$50,000 for damage to property, then the permitted user's insurer shall be the primary insurer and the dealer's insurer shall be the secondary insurer. If the permitted user does not have a liability insurance policy that provides automobile liability insurance coverage of at least \$100,000 for bodily injury to or the death of any person, \$300,000 for bodily injury to or the death of any 2 or more persons in any one accident, and \$50,000 for damage to property, or does not have any insurance at all, then the dealer's insurer shall be the primary insurer and the permitted user's insurer shall be the secondary insurer.

When a permitted user is "test driving" a used vehicle dealer's automobile, the used vehicle dealer's insurance shall be primary and the permitted user's insurance shall be secondary.

As used in this paragraph 4, a "permitted user" is a person who, with the permission of the used vehicle dealer or an employee of the used vehicle dealer, drives a vehicle owned and held for sale or lease by the used vehicle dealer which the person is considering to purchase or lease, in order to evaluate the performance, reliability, or condition of the vehicle. The term "permitted user" also includes a person who, with the permission of the used vehicle dealer, drives a vehicle owned or held for sale or lease by the used vehicle dealer for loaner purposes while the user's vehicle is being repaired or evaluated.

As used in this paragraph 4, "test driving" occurs when a permitted user who, with the permission of the used vehicle dealer or an employee of the used vehicle dealer, drives a vehicle owned and held for sale or lease by a used vehicle dealer that the person is considering to purchase or

lease, in order to evaluate the performance, reliability, or condition of the vehicle.

As used in this paragraph 4, "loaner purposes" means when a person who, with the permission of the used vehicle dealer, drives a vehicle owned or held for sale or lease by the used vehicle dealer while the user's vehicle is being repaired or evaluated.

5. An application for a used vehicle dealer's license shall be accompanied by the following license fees:

(A) \$1,000 for applicant's established place of business, and \$50 for each additional place of business, if any, to which the application pertains; however, if the application is made after June 15 of any year, the license fee shall be \$500 for applicant's established place of business plus \$25 for each additional place of business, if any, to which the application pertains. License fees shall be returnable only in the event that the application is denied by the Secretary of State. Of the money received by the Secretary of State as license fees under this subparagraph (A) for the 2004 licensing year and thereafter, 95% shall be deposited into the General Revenue Fund.

(B) Except as provided in subsection (h) of Section 5-102.7 of this Code, an Annual Dealer Recovery Fund Fee, For applications for the initial issuance of a dealer's license, the fee shall be in the amount of \$500 for the applicant's established place of business, and \$50 for each additional place of business, if any, to which the application pertains; but if the application is made after June 15 of any year, the fee shall be \$250 for the applicant's established place of business plus \$25 for each additional place of business, if any, to which the application pertains. For a license renewal application, the fee shall be based on the amount of automobiles sold in the past year according to the following formula:

(1) \$0 for dealers selling 25 or less automobiles;

(2) \$150 for dealers selling more than 25 but less than 200 automobiles;

(3) \$300 for dealers selling 200 or more automobiles but less than 300 automobiles; and

(4) \$500 for dealers selling 300 or more automobiles.

License fees shall be returnable only in the event that the application is denied by the Secretary of State. Moneys received under this subparagraph (B) shall be deposited into the Dealer Recovery Trust Fund.

6. A statement that the applicant's officers, directors, shareholders having a 10% or greater ownership interest therein, proprietor, partner, member, officer, director, trustee, manager or other principals in the business have not committed in the past 3 years any one violation as determined in any civil, criminal or administrative proceedings of any one of the following Acts:

(A) The Anti Theft Laws of the Illinois Vehicle Code;

(B) The Certificate of Title Laws of the Illinois Vehicle Code;

(C) The Offenses against Registration and Certificates of Title Laws of the Illinois Vehicle Code;

(D) The Dealers, Transporters, Wreckers and Rebuilders Laws of the Illinois Vehicle Code;

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

(F) The Retailers' Occupation Tax Act.

7. A statement that the applicant's officers, directors, shareholders having a 10% or greater ownership interest therein, proprietor, partner, member, officer, director, trustee, manager or other principals in the business have not committed in any calendar year 3 or more violations, as determined in any civil or criminal or administrative proceedings, of any one or more of the following Acts:

(A) The Consumer Finance Act;

(B) The Consumer Installment Loan Act;

(C) The Retail Installment Sales Act;

(D) The Motor Vehicle Retail Installment Sales Act;

(E) The Interest Act;

(F) The Illinois Wage Assignment Act;

(G) Part 8 of Article XII of the Code of Civil Procedure; or

(H) The Consumer Fraud Act.

8. A bond or Certificate of Deposit in the amount of \$20,000 for each location at which the applicant intends to act as a used vehicle dealer. The bond shall be for the term of the license, or its renewal, for which application is made, and shall expire not sooner than December 31 of the year for which the license was issued or renewed. The bond shall run to the People of the State of Illinois, with surety by a bonding or insurance company authorized to do business in this State. It shall be

conditioned upon the proper transmittal of all title and registration fees and taxes (excluding taxes under the Retailers' Occupation Tax Act) accepted by the applicant as a used vehicle dealer.

9. Such other information concerning the business of the applicant as the Secretary of State may by rule or regulation prescribe.

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

11. A copy of the certification from the prelicensing education program.

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

(d) Anything in this Chapter to the contrary notwithstanding, no person shall be licensed as a used vehicle dealer unless such person maintains an established place of business as defined in this Chapter.

(e) The Secretary of State shall, within a reasonable time after receipt, examine an application submitted to him under this Section. Unless the Secretary makes a determination that the application submitted to him does not conform to this Section or that grounds exist for a denial of the application under Section 5-501 of this Chapter, he must grant the applicant an original used vehicle dealer's license in writing for his established place of business and a supplemental license in writing for each additional place of business in such form as he may prescribe by rule or regulation which shall include the following:

1. The name of the person licensed;

2. If a corporation, the name and address of its officers or if a sole proprietorship, a partnership, an unincorporated association or any similar form of business organization, the name and address of the proprietor or of each partner, member, officer, director, trustee or manager;

3. In case of an original license, the established place of business of the licensee;

4. In the case of a supplemental license, the established place of business of the licensee and the additional place of business to which such supplemental license pertains.

(f) The appropriate instrument evidencing the license or a certified copy thereof, provided by the Secretary of State shall be kept posted, conspicuously, in the established place of business of the licensee and in each additional place of business, if any, maintained by such licensee.

(g) Except as provided in subsection (h) of this Section, all used vehicle dealer's licenses granted under this Section expire by operation of law on December 31 of the calendar year for which they are granted unless sooner revoked or cancelled under Section 5-501 of this Chapter.

(h) A used vehicle dealer's license may be renewed upon application and payment of the fee required herein, and submission of proof of coverage by an approved bond under the "Retailers' Occupation Tax Act" or proof that applicant is not subject to such bonding requirements, as in the case of an original license, but in case an application for the renewal of an effective license is made during the month of December, the effective license shall remain in force until the application for renewal is granted or denied by the Secretary of State.

(i) All persons licensed as a used vehicle dealer are required to furnish each purchaser of a motor vehicle:

1. A certificate of title properly assigned to the purchaser;

2. A statement verified under oath that all identifying numbers on the vehicle agree with those on the certificate of title;

3. A bill of sale properly executed on behalf of such person;

4. A copy of the Uniform Invoice-transaction reporting return referred to in Section 5-402 of this Chapter;

5. In the case of a rebuilt vehicle, a copy of the Disclosure of Rebuilt Vehicle Status;
and

6. In the case of a vehicle for which the warranty has been reinstated, a copy of the
warranty.

(j) A real estate broker holding a valid certificate of registration issued pursuant to "The Real Estate Brokers and Salesmen License Act" may engage in the business of selling or dealing in house trailers not his own without being licensed as a used vehicle dealer under this Section; however such broker shall maintain a record of the transaction including the following:

(1) the name and address of the buyer and seller,

(2) the date of sale,

(3) a description of the mobile home, including the vehicle identification number, make, model, and year, and

(4) the Illinois certificate of title number.

The foregoing records shall be available for inspection by any officer of the Secretary of State's Office at any reasonable hour.

(k) Except at the time of sale or repossession of the vehicle, no person licensed as a used vehicle dealer may issue any other person a newly created key to a vehicle unless the used vehicle dealer makes a copy of the driver's license or State identification card of the person requesting or obtaining the newly created key. The used vehicle dealer must retain the copy for 30 days.

A used vehicle dealer who violates this subsection (k) is guilty of a petty offense. Violation of this subsection (k) is not cause to suspend, revoke, cancel, or deny renewal of the used vehicle dealer's license.

(l) Used vehicle dealers licensed under this Section shall provide the Secretary of State a register for the sale at auction of each salvage or junk certificate vehicle. Each register shall include the following information:

1. The year, make, model, style and color of the vehicle;
2. The vehicle's manufacturer's identification number or, if applicable, the Secretary of State or Illinois Department of State Police identification number;
3. The date of acquisition of the vehicle;
4. The name and address of the person from whom the vehicle was acquired;
5. The name and address of the person to whom any vehicle was disposed, the person's Illinois license number or if the person is an out-of-state salvage vehicle buyer, the license number from the state or jurisdiction where the buyer is licensed; and
6. The purchase price of the vehicle.

The register shall be submitted to the Secretary of State via written or electronic means within 10 calendar days from the date of the auction.

(Source: P.A. 96-678, eff. 8-25-09; 97-480, eff. 10-1-11; 97-1150, eff. 1-25-13.)
(625 ILCS 5/5-102.7)

Sec. 5-102.7. Dealer Recovery Trust Fund.

(a) The General Assembly finds that motor vehicle dealers that go out of business without fulfilling agreements to pay off the balance of their customers' liens on traded-in vehicles cause financial harm to those customers by leaving those customers liable for multiple vehicle loans and cause harm to the integrity of the motor vehicle retailing industry. It is the intent of the General Assembly to protect vehicle purchasers by creating a Dealer Recovery Trust Fund to reimburse these consumers.

(b) The Dealer Recovery Trust Fund shall be used solely for the limited purpose of helping victims of dealership closings. Any interest accrued by moneys in the Fund shall be deposited and become part of the Dealer Recovery Trust Fund and its purpose. The sole beneficiaries of the Dealer Recovery Trust Fund are victims of dealership closings.

(c) Except where the context otherwise requires, the following words and phrases, when used in this Section, have the meanings ascribed to them in this subsection (c):

"Applicant" means a person who applies for reimbursement from the Dealer Recovery Trust Fund Board.

"Board" means the Dealer Recovery Trust Fund Board created under this Section.

"Dealer" means a new vehicle dealer licensed under Section 5-101 or a used vehicle dealer licensed under Section 5-102, excepting a dealer who primarily sells mobile homes, recreational vehicles, or trailers or any dealer who sells 25 vehicles or fewer per calendar year.

"Fund" means the Dealer Recovery Trust Fund created under this Section.

"Fund Administrator" means the private entity, which shall be appointed by the Board, that administers the Dealer Recovery Trust Fund.

(d) Beginning October 1, 2011, each application or renewal for a new vehicle dealer's license and each application or renewal for a used vehicle dealer's license shall be accompanied by the applicable Annual Dealer Recovery Fund Fee under Section 5-101 or 5-102 of this Code. The fee shall be in addition to any other fees imposed under this Article, shall be submitted at the same time an application or renewal for a new vehicle dealer's license or used vehicle dealer's license is submitted, and shall be made payable to and remitted directly to the Dealer Recovery Trust Fund, a trust fund outside of the State Treasury which is hereby created. In addition, the Dealer Recovery Trust Fund may accept any federal, State, or private moneys for deposit into the Fund.

(e) The Fund Administrator shall maintain a list of all dealers who have paid the fee under subsection (d) of this Section for the current year, which shall be available to the Secretary of State and the Board. The Secretary of State shall revoke the dealer license of any dealer who does not pay the fee imposed under subsection (d) of this Section. The Secretary of State and the Fund Administrator may enter into information sharing agreements as needed to implement this Section.

(f) The Fund shall be audited annually by an independent auditor who is a certified public accountant and who has been selected by the Board. The independent auditor shall compile an annual report, which shall be filed with the Board and shall be a public record. The auditor shall be paid by the Fund, pursuant to an order of the Board.

(g) The Fund shall be maintained by the Fund Administrator, who shall keep current records of the amounts deposited into the Fund and the amounts paid out of the Fund pursuant to an order of the Board. These records shall be made available to all members of the Board upon reasonable request during normal business hours. The Fund Administrator shall report the balance in the Fund to the Board monthly, by the 15th day of each month. For purposes of determining the amount available to pay claims under this Section at any meeting of the Board, the Board shall use the Fund Administrator's most recent monthly report. The Fund Administrator shall purchase liability insurance to cover management of the Fund at a cost not to exceed 2% of the balance in the Fund as of January 15th of that year.

(h) In any year for which the balance in the Fund as of August 31st is greater than \$3,500,000, the Fund Administrator shall notify the Secretary of State and the Secretary of State shall suspend collection of the fee for the following year for any dealer who has not had a claim paid from the Fund, has not had his or her license suspended or revoked, and has not been assessed any civil penalties under this Code during the 3 previous years.

(i) Moneys in the Dealer Recovery Trust Fund may be paid from the Fund only as directed by a written order of the Board and used only for the following purposes:

(i) to pay claims under a written order of the Board as provided in this Section; or

(ii) to reimburse the Fund Administrator for its expenses related to the administration

of the Fund, provided that the reimbursement to the Fund Administrator in any year shall not exceed 2% of the balance in the Fund as of January 15th of that year.

(j) The Dealer Recovery Trust Fund Board is hereby created. The Board shall consist of the Secretary of State, or his or her designee, who shall serve as chair, the Attorney General, or his or her designee, who shall serve as secretary, and one person alternatively representing new and independent Illinois automobile dealers, selected collectively by the Attorney General, or his or her designee, and the Secretary of State, or his or her designee. The Secretary of State may propose procedures and employ personnel as necessary to implement this Section. The Board shall meet quarterly, and as needed, as directed by the chair. The Board may not pay out any claims before the balance deposited into the Fund exceeds \$500,000. Board meetings shall be open to the public. The Board has the authority to take any action by at least a two-thirds majority vote.

(k) The following persons may apply to the Board for reimbursement from the Dealer Recovery Trust Fund:

(i) A retail customer who, on or after October 1, 2011, purchases a vehicle from a dealer who subsequently files for bankruptcy or whose vehicle dealer's license is subsequently revoked by the Secretary of State or otherwise terminated and, as part of the purchase transaction, trades in a vehicle with an outstanding lien to the dealer if lien satisfaction was a condition of the purchase agreement and the retail customer determines that the lien has not been satisfied;

(ii) A retail customer who, on or after October 1, 2011, purchases a vehicle with an undisclosed lien from a dealer who subsequently files for bankruptcy or whose vehicle dealer's license is subsequently revoked by the Secretary of State or otherwise terminated;

(iii) A dealer who, on or after October 1, 2011, purchases a vehicle with an undisclosed lien from another dealer who subsequently files for bankruptcy or whose vehicle dealer's license is subsequently revoked by the Secretary of State or otherwise terminated.

(l) To be considered by the Board, an applicant must submit his or her claim to the Board within 2 years ~~9 months~~ after the date of the transaction that gave rise to the claim.

(m) At each meeting of the Board, it shall consider all claims that are properly submitted to it on forms prescribed by the Secretary of State at least 30 days before the date of the Board's meeting. Before the Board may consider a claim against a dealer, it must make a written determination that the dealer has filed for bankruptcy under the provisions of 11 U.S.C. Chapter 7; that the Secretary of State has revoked his or her dealer's license; or that the license has been otherwise terminated. Once the Board has made this determination, it may consider the applicant's claim against the dealer. If a two-thirds majority of the Board determines that the dealer has committed a violation under subsection (k), it shall grant the applicant's claim. Except as otherwise provided in this Section, the maximum amount of any award for a claim under paragraph (i) of subsection (k) of this Section shall be equal to the amount of the unpaid balance of the lien that the dealer agreed to pay off on behalf of the applicant as shown on the bill of sale or the retail installment sales contract. The maximum amount of any claim under paragraph (ii) or (iii) of subsection (k) of this Section shall be equal to the amount of the undisclosed lien. However, no award

for a claim under subsection (k) of this Section shall exceed \$35,000.

(n) If the balance in the Fund at the time of any Board meeting is less than the amount of the total amount of all claims awarded at that meeting, then all awards made at that meeting shall be reduced, pro rata, so that the amount of claims does not exceed the balance in the Fund. Before it reviews new claims, the Board shall issue written orders to pay the remaining portion of any claims that were so reduced, provided that the balance in the Fund is sufficient to pay those claims.

(o) Whenever the balance of the Fund falls below \$500,000, the Board may charge dealers an additional assessment of up to \$50 to bring the balance to at least \$500,000. Not more than one additional assessment may be made against a dealer in any 12-month period.

(p) If the total amount of claims awarded against any dealer exceeds 33% of the balance in the Fund, the Board may permanently reduce the amount of those claims, pro rata, so that those claims do not exceed 33% of the balance in the Fund.

(q) The Board shall issue a written order directing the Fund Administrator to pay an applicant's claim to a secured party where the Board has received a signed agreement between the applicant and the secured party holding the lien. The agreement must (i) state that the applicant and the secured party agree to accept payment from the Fund to the secured party as settlement in full of all claims against the dealer; and (ii) release the lien and the title, if applicable, to the vehicle that was the subject of the claim. The written order shall state the amount of the claim and the name and address of the secured party to whom the claim shall be paid. The Fund Administrator shall pay the claim within 30 days after it receives the Board's order.

(r) No dealer or principal associated with a dealer's license is eligible for licensure, renewal or relicensure until the full amount of reimbursement for an unpaid claim, plus interest as determined by the Board, is paid to the Fund. Nothing in this Section shall limit the authority of the Secretary of State to suspend, revoke, or levy civil penalties against a dealer, nor shall full repayment of the amount owed to the Fund nullify or modify the effect of any action by the Secretary.

(s) Nothing in this Section shall limit the right of any person to seek relief though civil action against any other person as an alternative to seeking reimbursement from the Fund.
(Source: P.A. 97-480, eff. 10-1-11.)"

The motion prevailed.

And the amendment was adopted and ordered printed.

Senator Sullivan offered the following amendment and moved its adoption:

AMENDMENT NO. 3 TO HOUSE BILL 2773

AMENDMENT NO. 3. Amend House Bill 2773 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Vehicle Code is amended by changing Sections 5-101, 5-102, and 5-102.7 as follows:

(625 ILCS 5/5-101) (from Ch. 95 1/2, par. 5-101)

Sec. 5-101. New vehicle dealers must be licensed.

(a) No person shall engage in this State in the business of selling or dealing in, on consignment or otherwise, new vehicles of any make, or act as an intermediary or agent or broker for any licensed dealer or vehicle purchaser other than as a salesperson, or represent or advertise that he is so engaged or intends to so engage in such business unless licensed to do so in writing by the Secretary of State under the provisions of this Section.

(b) An application for a new vehicle dealer's license shall be filed with the Secretary of State, duly verified by oath, on such form as the Secretary of State may by rule or regulation prescribe and shall contain:

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

2. If the applicant is a corporation, a list of its officers, directors, and shareholders having a ten percent or greater ownership interest in the corporation, setting forth the residence address of each; if the applicant is a sole proprietorship, a partnership, an unincorporated association, a trust, or any similar form of business organization, the name and residence address of the proprietor or of each partner, member, officer, director, trustee, or manager.

3. The make or makes of new vehicles which the applicant will offer for sale at retail in this State.

4. The name of each manufacturer or franchised distributor, if any, of new vehicles with

[May 24, 2013]

whom the applicant has contracted for the sale of such new vehicles. As evidence of this fact, the application shall be accompanied by a signed statement from each such manufacturer or franchised distributor. If the applicant is in the business of offering for sale new conversion vehicles, trucks or vans, except for trucks modified to serve a special purpose which includes but is not limited to the following vehicles: street sweepers, fertilizer spreaders, emergency vehicles, implements of husbandry or maintenance type vehicles, he must furnish evidence of a sales and service agreement from both the chassis manufacturer and second stage manufacturer.

5. A statement that the applicant has been approved for registration under the Retailers' Occupation Tax Act by the Department of Revenue: Provided that this requirement does not apply to a dealer who is already licensed hereunder with the Secretary of State, and who is merely applying for a renewal of his license. As evidence of this fact, the application shall be accompanied by a certification from the Department of Revenue showing that that Department has approved the applicant for registration under the Retailers' Occupation Tax Act.

6. A statement that the applicant has complied with the appropriate liability insurance requirement. A Certificate of Insurance in a solvent company authorized to do business in the State of Illinois shall be included with each application covering each location at which he proposes to act as a new vehicle dealer. The policy must provide liability coverage in the minimum amounts of \$100,000 for bodily injury to, or death of, any person, \$300,000 for bodily injury to, or death of, two or more persons in any one accident, and \$50,000 for damage to property. Such policy shall expire not sooner than December 31 of the year for which the license was issued or renewed. The expiration of the insurance policy shall not terminate the liability under the policy arising during the period for which the policy was filed. Trailer and mobile home dealers are exempt from this requirement.

If the permitted user has a liability insurance policy that provides automobile liability insurance coverage of at least \$100,000 for bodily injury to or the death of any person, \$300,000 for bodily injury to or the death of any 2 or more persons in any one accident, and \$50,000 for damage to property, then the permitted user's insurer shall be the primary insurer and the dealer's insurer shall be the secondary insurer. If the permitted user does not have a liability insurance policy that provides automobile liability insurance coverage of at least \$100,000 for bodily injury to or the death of any person, \$300,000 for bodily injury to or the death of any 2 or more persons in any one accident, and \$50,000 for damage to property, or does not have any insurance at all, then the dealer's insurer shall be the primary insurer and the permitted user's insurer shall be the secondary insurer.

When a permitted user is "test driving" a new vehicle dealer's automobile, the new vehicle dealer's insurance shall be primary and the permitted user's insurance shall be secondary.

As used in this paragraph 6, a "permitted user" is a person who, with the permission of the new vehicle dealer or an employee of the new vehicle dealer, drives a vehicle owned and held for sale or lease by the new vehicle dealer which the person is considering to purchase or lease, in order to evaluate the performance, reliability, or condition of the vehicle. The term "permitted user" also includes a person who, with the permission of the new vehicle dealer, drives a vehicle owned or held for sale or lease by the new vehicle dealer for loaner purposes while the user's vehicle is being repaired or evaluated.

As used in this paragraph 6, "test driving" occurs when a permitted user who, with the permission of the new vehicle dealer or an employee of the new vehicle dealer, drives a vehicle owned and held for sale or lease by a new vehicle dealer that the person is considering to purchase or lease, in order to evaluate the performance, reliability, or condition of the vehicle.

As used in this paragraph 6, "loaner purposes" means when a person who, with the permission of the new vehicle dealer, drives a vehicle owned or held for sale or lease by the new vehicle dealer while the user's vehicle is being repaired or evaluated.

7. (A) An application for a new motor vehicle dealer's license shall be accompanied by the following license fees:

(i) \$1,000 for applicant's established place of business, and \$100 for each additional place of business, if any, to which the application pertains; but if the application is made after June 15 of any year, the license fee shall be \$500 for applicant's established place of business plus \$50 for each additional place of business, if any, to which the application pertains. License fees shall be returnable only in the event that the application is denied by the Secretary of State. All moneys received by the Secretary of State as license fees under this subparagraph (i) prior to applications for the 2004 licensing year shall be deposited into the Motor Vehicle Review Board Fund and shall be used to administer the Motor Vehicle Review Board under the Motor Vehicle Franchise Act. Of the money received by the Secretary of State as license fees under this subparagraph (i) for the 2004 licensing year and thereafter, 10% shall be deposited into the Motor

Vehicle Review Board Fund and shall be used to administer the Motor Vehicle Review Board under the Motor Vehicle Franchise Act and 90% shall be deposited into the General Revenue Fund.

(ii) Except for dealers selling 25 or fewer automobiles or as provided in subsection (h) of Section 5-102.7 of this Code, an

Annual Dealer Recovery Fund Fee in the amount of \$500 for the applicant's established place of business, and \$50 for each additional place of business, if any, to which the application pertains; but if the application is made after June 15 of any year, the fee shall be \$250 for the applicant's established place of business plus \$25 for each additional place of business, if any, to which the application pertains. For a license renewal application, the fee shall be based on the amount of automobiles sold in the past year according to the following formula:

- (1) \$0 for dealers selling 25 or less automobiles;
- (2) \$150 for dealers selling more than 25 but less than 200 automobiles;
- (3) \$300 for dealers selling 200 or more automobiles but less than 300 automobiles; and
- (4) \$500 for dealers selling 300 or more automobiles.

License fees shall be returnable only in the event that the application is denied by the Secretary of State. Moneys received under this subparagraph (ii) shall be deposited into the Dealer Recovery Trust Fund.

(B) An application for a new vehicle dealer's license, other than for a new motor vehicle dealer's license, shall be accompanied by the following license fees:

(i) \$1,000 for applicant's established place of business, and \$50 for each additional place of business, if any, to which the application pertains; but if the application is made after June 15 of any year, the license fee shall be \$500 for applicant's established place of business plus \$25 for each additional place of business, if any, to which the application pertains. License fees shall be returnable only in the event that the application is denied by the Secretary of State. Of the money received by the Secretary of State as license fees under this subparagraph (i) for the 2004 licensing year and thereafter, 95% shall be deposited into the General Revenue Fund.

(ii) Except as provided in subsection (h) of Section 5-102.7 of this Code, an Annual Dealer Recovery Fund Fee in the amount of \$500 for the applicant's established place of business, and \$50 for each additional place of business, if any, to which the application pertains; but if the application is made after June 15 of any year, the fee shall be \$250 for the applicant's established place of business plus \$25 for each additional place of business, if any, to which the application pertains. License fees shall be returnable only in the event that the application is denied by the Secretary of State. Moneys received under this subparagraph (ii) shall be deposited into the Dealer Recovery Trust Fund.

8. A statement that the applicant's officers, directors, shareholders having a 10% or greater ownership interest therein, proprietor, a partner, member, officer, director, trustee, manager or other principals in the business have not committed in the past 3 years any one violation as determined in any civil, criminal or administrative proceedings of any one of the following Acts:

- (A) The Anti Theft Laws of the Illinois Vehicle Code;
- (B) The Certificate of Title Laws of the Illinois Vehicle Code;
- (C) The Offenses against Registration and Certificates of Title Laws of the Illinois Vehicle Code;
- (D) The Dealers, Transporters, Wreckers and Rebuilders Laws of the Illinois Vehicle Code;
- (E) Section 21-2 of the Criminal Code of 1961 or the Criminal Code of 2012, Criminal Trespass to Vehicles; or
- (F) The Retailers' Occupation Tax Act.

9. A statement that the applicant's officers, directors, shareholders having a 10% or greater ownership interest therein, proprietor, partner, member, officer, director, trustee, manager or other principals in the business have not committed in any calendar year 3 or more violations, as determined in any civil, criminal or administrative proceedings, of any one or more of the following Acts:

- (A) The Consumer Finance Act;
- (B) The Consumer Installment Loan Act;
- (C) The Retail Installment Sales Act;
- (D) The Motor Vehicle Retail Installment Sales Act;
- (E) The Interest Act;
- (F) The Illinois Wage Assignment Act;
- (G) Part 8 of Article XII of the Code of Civil Procedure; or

(H) The Consumer Fraud Act.

10. A bond or certificate of deposit in the amount of \$20,000 for each location at which the applicant intends to act as a new vehicle dealer. The bond shall be for the term of the license, or its renewal, for which application is made, and shall expire not sooner than December 31 of the year for which the license was issued or renewed. The bond shall run to the People of the State of Illinois, with surety by a bonding or insurance company authorized to do business in this State. It shall be conditioned upon the proper transmittal of all title and registration fees and taxes (excluding taxes under the Retailers' Occupation Tax Act) accepted by the applicant as a new vehicle dealer.

11. Such other information concerning the business of the applicant as the Secretary of State may by rule or regulation prescribe.
12. A statement that the applicant understands Chapter One through Chapter Five of this Code.

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

(d) Anything in this Chapter 5 to the contrary notwithstanding no person shall be licensed as a new vehicle dealer unless:

1. He is authorized by contract in writing between himself and the manufacturer or franchised distributor of such make of vehicle to so sell the same in this State, and
2. Such person shall maintain an established place of business as defined in this Act.

(e) The Secretary of State shall, within a reasonable time after receipt, examine an application submitted to him under this Section and unless he makes a determination that the application submitted to him does not conform with the requirements of this Section or that grounds exist for a denial of the application, under Section 5-501 of this Chapter, grant the applicant an original new vehicle dealer's license in writing for his established place of business and a supplemental license in writing for each additional place of business in such form as he may prescribe by rule or regulation which shall include the following:

1. The name of the person licensed;
2. If a corporation, the name and address of its officers or if a sole proprietorship, a partnership, an unincorporated association or any similar form of business organization, the name and address of the proprietor or of each partner, member, officer, director, trustee or manager;
3. In the case of an original license, the established place of business of the licensee;
4. In the case of a supplemental license, the established place of business of the licensee and the additional place of business to which such supplemental license pertains;
5. The make or makes of new vehicles which the licensee is licensed to sell.

(f) The appropriate instrument evidencing the license or a certified copy thereof, provided by the Secretary of State, shall be kept posted conspicuously in the established place of business of the licensee and in each additional place of business, if any, maintained by such licensee.

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

(h) A new vehicle dealer's license may be renewed upon application and payment of the fee required herein, and submission of proof of coverage under an approved bond under the "Retailers' Occupation Tax Act" or proof that applicant is not subject to such bonding requirements, as in the case of an original license, but in case an application for the renewal of an effective license is made during the month of December, the effective license shall remain in force until the application is granted or denied by the Secretary of State.

(i) All persons licensed as a new vehicle dealer are required to furnish each purchaser of a motor vehicle:

1. In the case of a new vehicle a manufacturer's statement of origin and in the case of a used motor vehicle a certificate of title, in either case properly assigned to the purchaser;
2. A statement verified under oath that all identifying numbers on the vehicle agree with those on the certificate of title or manufacturer's statement of origin;
3. A bill of sale properly executed on behalf of such person;
4. A copy of the Uniform Invoice-transaction reporting return referred to in Section 5-402 hereof;
5. In the case of a rebuilt vehicle, a copy of the Disclosure of Rebuilt Vehicle Status;

and

6. In the case of a vehicle for which the warranty has been reinstated, a copy of the warranty.

(j) Except at the time of sale or repossession of the vehicle, no person licensed as a new vehicle dealer may issue any other person a newly created key to a vehicle unless the new vehicle dealer makes a copy of the driver's license or State identification card of the person requesting or obtaining the newly created key. The new vehicle dealer must retain the copy for 30 days.

A new vehicle dealer who violates this subsection (j) is guilty of a petty offense. Violation of this subsection (j) is not cause to suspend, revoke, cancel, or deny renewal of the new vehicle dealer's license.

This amendatory Act of 1983 shall be applicable to the 1984 registration year and thereafter.

(Source: P.A. 97-480, eff. 10-1-11; 97-1150, eff. 1-25-13.)

(625 ILCS 5/5-102) (from Ch. 95 1/2, par. 5-102)

Sec. 5-102. Used vehicle dealers must be licensed.

(a) No person, other than a licensed new vehicle dealer, shall engage in the business of selling or dealing in, on consignment or otherwise, 5 or more used vehicles of any make during the year (except house trailers as authorized by paragraph (j) of this Section and rebuilt salvage vehicles sold by their rebuilders to persons licensed under this Chapter), or act as an intermediary, agent or broker for any licensed dealer or vehicle purchaser (other than as a salesperson) or represent or advertise that he is so engaged or intends to so engage in such business unless licensed to do so by the Secretary of State under the provisions of this Section.

(b) An application for a used vehicle dealer's license shall be filed with the Secretary of State, duly verified by oath, in such form as the Secretary of State may by rule or regulation prescribe and shall contain:

1. The name and type of business organization established and additional places of business, if any, in this State.

2. If the applicant is a corporation, a list of its officers, directors, and shareholders having a ten percent or greater ownership interest in the corporation, setting forth the residence address of each; if the applicant is a sole proprietorship, a partnership, an unincorporated association, a trust, or any similar form of business organization, the names and residence address of the proprietor or of each partner, member, officer, director, trustee or manager.

3. A statement that the applicant has been approved for registration under the Retailers' Occupation Tax Act by the Department of Revenue. However, this requirement does not apply to a dealer who is already licensed hereunder with the Secretary of State, and who is merely applying for a renewal of his license. As evidence of this fact, the application shall be accompanied by a certification from the Department of Revenue showing that the Department has approved the applicant for registration under the Retailers' Occupation Tax Act.

4. A statement that the applicant has complied with the appropriate liability insurance requirement. A Certificate of Insurance in a solvent company authorized to do business in the State of Illinois shall be included with each application covering each location at which he proposes to act as a used vehicle dealer. The policy must provide liability coverage in the minimum amounts of \$100,000 for bodily injury to, or death of, any person, \$300,000 for bodily injury to, or death of, two or more persons in any one accident, and \$50,000 for damage to property. Such policy shall expire not sooner than December 31 of the year for which the license was issued or renewed. The expiration of the insurance policy shall not terminate the liability under the policy arising during the period for which the policy was filed. Trailer and mobile home dealers are exempt from this requirement.

If the permitted user has a liability insurance policy that provides automobile liability insurance coverage of at least \$100,000 for bodily injury to or the death of any person, \$300,000 for bodily injury to or the death of any 2 or more persons in any one accident, and \$50,000 for damage to property, then the permitted user's insurer shall be the primary insurer and the dealer's insurer shall be the secondary insurer. If the permitted user does not have a liability insurance policy that provides automobile liability insurance coverage of at least \$100,000 for bodily injury to or the death of any person, \$300,000 for bodily injury to or the death of any 2 or more persons in any one accident, and \$50,000 for damage to property, or does not have any insurance at all, then the dealer's insurer shall be the primary insurer and the permitted user's insurer shall be the secondary insurer.

When a permitted user is "test driving" a used vehicle dealer's automobile, the used vehicle dealer's insurance shall be primary and the permitted user's insurance shall be secondary.

As used in this paragraph 4, a "permitted user" is a person who, with the permission of the used vehicle dealer or an employee of the used vehicle dealer, drives a vehicle owned and held for

sale or lease by the used vehicle dealer which the person is considering to purchase or lease, in order to evaluate the performance, reliability, or condition of the vehicle. The term "permitted user" also includes a person who, with the permission of the used vehicle dealer, drives a vehicle owned or held for sale or lease by the used vehicle dealer for loaner purposes while the user's vehicle is being repaired or evaluated.

As used in this paragraph 4, "test driving" occurs when a permitted user who, with the permission of the used vehicle dealer or an employee of the used vehicle dealer, drives a vehicle owned and held for sale or lease by a used vehicle dealer that the person is considering to purchase or lease, in order to evaluate the performance, reliability, or condition of the vehicle.

As used in this paragraph 4, "loaner purposes" means when a person who, with the permission of the used vehicle dealer, drives a vehicle owned or held for sale or lease by the used vehicle dealer while the user's vehicle is being repaired or evaluated.

5. An application for a used vehicle dealer's license shall be accompanied by the following license fees:

(A) \$1,000 for applicant's established place of business, and \$50 for each additional place of business, if any, to which the application pertains; however, if the application is made after June 15 of any year, the license fee shall be \$500 for applicant's established place of business plus \$25 for each additional place of business, if any, to which the application pertains. License fees shall be returnable only in the event that the application is denied by the Secretary of State. Of the money received by the Secretary of State as license fees under this subparagraph (A) for the 2004 licensing year and thereafter, 95% shall be deposited into the General Revenue Fund.

(B) Except for dealers selling 25 or fewer automobiles or as provided in subsection (h) of Section 5-102.7 of this Code, an

Annual Dealer Recovery Fund Fee in the amount of \$500 for the applicant's established place of business, and \$50 for each additional place of business, if any, to which the application pertains; but if the application is made after June 15 of any year, the fee shall be \$250 for the applicant's established place of business plus \$25 for each additional place of business, if any, to which the application pertains. For a license renewal application, the fee shall be based on the amount of automobiles sold in the past year according to the following formula:

(1) \$0 for dealers selling 25 or less automobiles;

(2) \$150 for dealers selling more than 25 but less than 200 automobiles;

(3) \$300 for dealers selling 200 or more automobiles but less than 300 automobiles; and

(4) \$500 for dealers selling 300 or more automobiles.

License fees shall be returnable only in the event that the application is denied by the Secretary of State. Moneys received under this subparagraph (B) shall be deposited into the Dealer Recovery Trust Fund.

6. A statement that the applicant's officers, directors, shareholders having a 10% or greater ownership interest therein, proprietor, partner, member, officer, director, trustee, manager or other principals in the business have not committed in the past 3 years any one violation as determined in any civil, criminal or administrative proceedings of any one of the following Acts:

(A) The Anti Theft Laws of the Illinois Vehicle Code;

(B) The Certificate of Title Laws of the Illinois Vehicle Code;

(C) The Offenses against Registration and Certificates of Title Laws of the Illinois Vehicle Code;

(D) The Dealers, Transporters, Wreckers and Rebuilders Laws of the Illinois Vehicle Code;

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

(F) The Retailers' Occupation Tax Act.

7. A statement that the applicant's officers, directors, shareholders having a 10% or greater ownership interest therein, proprietor, partner, member, officer, director, trustee, manager or other principals in the business have not committed in any calendar year 3 or more violations, as determined in any civil or criminal or administrative proceedings, of any one or more of the following Acts:

(A) The Consumer Finance Act;

(B) The Consumer Installment Loan Act;

(C) The Retail Installment Sales Act;

(D) The Motor Vehicle Retail Installment Sales Act;

(E) The Interest Act;

- (F) The Illinois Wage Assignment Act;
- (G) Part 8 of Article XII of the Code of Civil Procedure; or
- (H) The Consumer Fraud Act.

8. A bond or Certificate of Deposit in the amount of \$20,000 for each location at which the applicant intends to act as a used vehicle dealer. The bond shall be for the term of the license, or its renewal, for which application is made, and shall expire not sooner than December 31 of the year for which the license was issued or renewed. The bond shall run to the People of the State of Illinois, with surety by a bonding or insurance company authorized to do business in this State. It shall be conditioned upon the proper transmittal of all title and registration fees and taxes (excluding taxes under the Retailers' Occupation Tax Act) accepted by the applicant as a used vehicle dealer.

9. Such other information concerning the business of the applicant as the Secretary of State may by rule or regulation prescribe.

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

11. A copy of the certification from the preclicensing education program.

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

(d) Anything in this Chapter to the contrary notwithstanding, no person shall be licensed as a used vehicle dealer unless such person maintains an established place of business as defined in this Chapter.

(e) The Secretary of State shall, within a reasonable time after receipt, examine an application submitted to him under this Section. Unless the Secretary makes a determination that the application submitted to him does not conform to this Section or that grounds exist for a denial of the application under Section 5-501 of this Chapter, he must grant the applicant an original used vehicle dealer's license in writing for his established place of business and a supplemental license in writing for each additional place of business in such form as he may prescribe by rule or regulation which shall include the following:

1. The name of the person licensed;

2. If a corporation, the name and address of its officers or if a sole proprietorship, a partnership, an unincorporated association or any similar form of business organization, the name and address of the proprietor or of each partner, member, officer, director, trustee or manager;

3. In case of an original license, the established place of business of the licensee;

4. In the case of a supplemental license, the established place of business of the licensee and the additional place of business to which such supplemental license pertains.

(f) The appropriate instrument evidencing the license or a certified copy thereof, provided by the Secretary of State shall be kept posted, conspicuously, in the established place of business of the licensee and in each additional place of business, if any, maintained by such licensee.

(g) Except as provided in subsection (h) of this Section, all used vehicle dealer's licenses granted under this Section expire by operation of law on December 31 of the calendar year for which they are granted unless sooner revoked or cancelled under Section 5-501 of this Chapter.

(h) A used vehicle dealer's license may be renewed upon application and payment of the fee required herein, and submission of proof of coverage by an approved bond under the "Retailers' Occupation Tax Act" or proof that applicant is not subject to such bonding requirements, as in the case of an original license, but in case an application for the renewal of an effective license is made during the month of December, the effective license shall remain in force until the application for renewal is granted or denied by the Secretary of State.

(i) All persons licensed as a used vehicle dealer are required to furnish each purchaser of a motor vehicle:

1. A certificate of title properly assigned to the purchaser;

2. A statement verified under oath that all identifying numbers on the vehicle agree with those on the certificate of title;

3. A bill of sale properly executed on behalf of such person;

4. A copy of the Uniform Invoice-transaction reporting return referred to in Section 5-402 of this Chapter;

5. In the case of a rebuilt vehicle, a copy of the Disclosure of Rebuilt Vehicle Status;
and

6. In the case of a vehicle for which the warranty has been reinstated, a copy of the warranty.

(j) A real estate broker holding a valid certificate of registration issued pursuant to "The Real Estate

Brokers and Salesmen License Act" may engage in the business of selling or dealing in house trailers not his own without being licensed as a used vehicle dealer under this Section; however such broker shall maintain a record of the transaction including the following:

- (1) the name and address of the buyer and seller,
- (2) the date of sale,
- (3) a description of the mobile home, including the vehicle identification number, make, model, and year, and
- (4) the Illinois certificate of title number.

The foregoing records shall be available for inspection by any officer of the Secretary of State's Office at any reasonable hour.

(k) Except at the time of sale or repossession of the vehicle, no person licensed as a used vehicle dealer may issue any other person a newly created key to a vehicle unless the used vehicle dealer makes a copy of the driver's license or State identification card of the person requesting or obtaining the newly created key. The used vehicle dealer must retain the copy for 30 days.

A used vehicle dealer who violates this subsection (k) is guilty of a petty offense. Violation of this subsection (k) is not cause to suspend, revoke, cancel, or deny renewal of the used vehicle dealer's license.

(l) Used vehicle dealers licensed under this Section shall provide the Secretary of State a register for the sale at auction of each salvage or junk certificate vehicle. Each register shall include the following information:

1. The year, make, model, style and color of the vehicle;
2. The vehicle's manufacturer's identification number or, if applicable, the Secretary of State or Illinois Department of State Police identification number;
3. The date of acquisition of the vehicle;
4. The name and address of the person from whom the vehicle was acquired;
5. The name and address of the person to whom any vehicle was disposed, the person's Illinois license number or if the person is an out-of-state salvage vehicle buyer, the license number from the state or jurisdiction where the buyer is licensed; and
6. The purchase price of the vehicle.

The register shall be submitted to the Secretary of State via written or electronic means within 10 calendar days from the date of the auction.

(Source: P.A. 96-678, eff. 8-25-09; 97-480, eff. 10-1-11; 97-1150, eff. 1-25-13.)

(625 ILCS 5/5-102.7)

Sec. 5-102.7. Dealer Recovery Trust Fund.

(a) The General Assembly finds that motor vehicle dealers that go out of business without fulfilling agreements to pay off the balance of their customers' liens on traded-in vehicles cause financial harm to those customers by leaving those customers liable for multiple vehicle loans and cause harm to the integrity of the motor vehicle retailing industry. It is the intent of the General Assembly to protect vehicle purchasers by creating a Dealer Recovery Trust Fund to reimburse these consumers.

(b) The Dealer Recovery Trust Fund shall be used solely for the limited purpose of helping victims of dealership closings. Any interest accrued by moneys in the Fund shall be deposited and become part of the Dealer Recovery Trust Fund and its purpose. The sole beneficiaries of the Dealer Recovery Trust Fund are victims of dealership closings.

(c) Except where the context otherwise requires, the following words and phrases, when used in this Section, have the meanings ascribed to them in this subsection (c):

"Applicant" means a person who applies for reimbursement from the Dealer Recovery Trust Fund Board.

"Board" means the Dealer Recovery Trust Fund Board created under this Section.

"Dealer" means a new vehicle dealer licensed under Section 5-101 or a used vehicle dealer licensed under Section 5-102, excepting a dealer who primarily sells mobile homes, recreational vehicles, or trailers or any dealer who sells 25 vehicles or fewer per calendar year.

"Fund" means the Dealer Recovery Trust Fund created under this Section.

"Fund Administrator" means the private entity, which shall be appointed by the Board, that administers the Dealer Recovery Trust Fund.

(d) Beginning October 1, 2011, each application or renewal for a new vehicle dealer's license and each application or renewal for a used vehicle dealer's license shall be accompanied by the applicable Annual Dealer Recovery Fund Fee under Section 5-101 or 5-102 of this Code. The fee shall be in addition to any other fees imposed under this Article, shall be submitted at the same time an application or renewal for a new vehicle dealer's license or used vehicle dealer's license is submitted, and shall be made payable to

and remitted directly to the Dealer Recovery Trust Fund, a trust fund outside of the State Treasury which is hereby created. In addition, the Dealer Recovery Trust Fund may accept any federal, State, or private moneys for deposit into the Fund.

(e) The Fund Administrator shall maintain a list of all dealers who have paid the fee under subsection (d) of this Section for the current year, which shall be available to the Secretary of State and the Board. The Secretary of State shall revoke the dealer license of any dealer who does not pay the fee imposed under subsection (d) of this Section. The Secretary of State and the Fund Administrator may enter into information sharing agreements as needed to implement this Section.

(f) The Fund shall be audited annually by an independent auditor who is a certified public accountant and who has been selected by the Board. The independent auditor shall compile an annual report, which shall be filed with the Board and shall be a public record. The auditor shall be paid by the Fund, pursuant to an order of the Board.

(g) The Fund shall be maintained by the Fund Administrator, who shall keep current records of the amounts deposited into the Fund and the amounts paid out of the Fund pursuant to an order of the Board. These records shall be made available to all members of the Board upon reasonable request during normal business hours. The Fund Administrator shall report the balance in the Fund to the Board monthly, by the 15th day of each month. For purposes of determining the amount available to pay claims under this Section at any meeting of the Board, the Board shall use the Fund Administrator's most recent monthly report. The Fund Administrator shall purchase liability insurance to cover management of the Fund at a cost not to exceed 2% of the balance in the Fund as of January 15th of that year.

(h) In any year for which the balance in the Fund as of August 31st is greater than \$3,500,000, the Fund Administrator shall notify the Secretary of State and the Secretary of State shall suspend collection of the fee for the following year for any dealer who has not had a claim paid from the Fund, has not had his or her license suspended or revoked, and has not been assessed any civil penalties under this Code during the 3 previous years.

(i) Moneys in the Dealer Recovery Trust Fund may be paid from the Fund only as directed by a written order of the Board and used only for the following purposes:

(i) to pay claims under a written order of the Board as provided in this Section; or

(ii) to reimburse the Fund Administrator for its expenses related to the administration of the Fund, provided that the reimbursement to the Fund Administrator in any year shall not exceed 2% of the balance in the Fund as of January 15th of that year.

(j) The Dealer Recovery Trust Fund Board is hereby created. The Board shall consist of the Secretary of State, or his or her designee, who shall serve as chair, the Attorney General, or his or her designee, who shall serve as secretary, and one person alternatively representing new and independent Illinois automobile dealers, selected collectively by the Attorney General, or his or her designee, and the Secretary of State, or his or her designee. The Secretary of State may propose procedures and employ personnel as necessary to implement this Section. The Board shall meet quarterly, and as needed, as directed by the chair. The Board may not pay out any claims before the balance deposited into the Fund exceeds \$500,000. Board meetings shall be open to the public. The Board has the authority to take any action by at least a two-thirds majority vote.

(k) The following persons may apply to the Board for reimbursement from the Dealer Recovery Trust Fund:

(i) A retail customer who, on or after October 1, 2011, purchases a vehicle from a dealer who subsequently files for bankruptcy or whose vehicle dealer's license is subsequently revoked by the Secretary of State or otherwise terminated and, as part of the purchase transaction, trades in a vehicle with an outstanding lien to the dealer if lien satisfaction was a condition of the purchase agreement and the retail customer determines that the lien has not been satisfied;

(ii) A retail customer who, on or after October 1, 2011, purchases a vehicle with an undisclosed lien from a dealer who subsequently files for bankruptcy or whose vehicle dealer's license is subsequently revoked by the Secretary of State or otherwise terminated;

(iii) A dealer who, on or after October 1, 2011, purchases a vehicle with an undisclosed lien from another dealer who subsequently files for bankruptcy or whose vehicle dealer's license is subsequently revoked by the Secretary of State or otherwise terminated.

(l) To be considered by the Board, an applicant must submit his or her claim to the Board within 2 years ~~9 months~~ after the date of the transaction that gave rise to the claim.

(m) At each meeting of the Board, it shall consider all claims that are properly submitted to it on forms prescribed by the Secretary of State at least 30 days before the date of the Board's meeting. Before the Board may consider a claim against a dealer, it must make a written determination that the dealer has filed for bankruptcy under the provisions of 11 U.S.C. Chapter 7; that the Secretary of State has revoked

his or her dealer's license; or that the license has been otherwise terminated. Once the Board has made this determination, it may consider the applicant's claim against the dealer. If a two-thirds majority of the Board determines that the dealer has committed a violation under subsection (k), it shall grant the applicant's claim. Except as otherwise provided in this Section, the maximum amount of any award for a claim under paragraph (i) of subsection (k) of this Section shall be equal to the amount of the unpaid balance of the lien that the dealer agreed to pay off on behalf of the applicant as shown on the bill of sale or the retail installment sales contract. The maximum amount of any claim under paragraph (ii) or (iii) of subsection (k) of this Section shall be equal to the amount of the undisclosed lien. However, no award for a claim under subsection (k) of this Section shall exceed \$35,000.

(n) If the balance in the Fund at the time of any Board meeting is less than the amount of the total amount of all claims awarded at that meeting, then all awards made at that meeting shall be reduced, pro rata, so that the amount of claims does not exceed the balance in the Fund. Before it reviews new claims, the Board shall issue written orders to pay the remaining portion of any claims that were so reduced, provided that the balance in the Fund is sufficient to pay those claims.

(o) Whenever the balance of the Fund falls below \$500,000, the Board may charge dealers an additional assessment of up to \$50 to bring the balance to at least \$500,000. Not more than one additional assessment may be made against a dealer in any 12-month period.

(p) If the total amount of claims awarded against any dealer exceeds 33% of the balance in the Fund, the Board may permanently reduce the amount of those claims, pro rata, so that those claims do not exceed 33% of the balance in the Fund.

(q) The Board shall issue a written order directing the Fund Administrator to pay an applicant's claim to a secured party where the Board has received a signed agreement between the applicant and the secured party holding the lien. The agreement must (i) state that the applicant and the secured party agree to accept payment from the Fund to the secured party as settlement in full of all claims against the dealer; and (ii) release the lien and the title, if applicable, to the vehicle that was the subject of the claim. The written order shall state the amount of the claim and the name and address of the secured party to whom the claim shall be paid. The Fund Administrator shall pay the claim within 30 days after it receives the Board's order.

(r) No dealer or principal associated with a dealer's license is eligible for licensure, renewal or relicensure until the full amount of reimbursement for an unpaid claim, plus interest as determined by the Board, is paid to the Fund. Nothing in this Section shall limit the authority of the Secretary of State to suspend, revoke, or levy civil penalties against a dealer, nor shall full repayment of the amount owed to the Fund nullify or modify the effect of any action by the Secretary.

(s) Nothing in this Section shall limit the right of any person to seek relief through civil action against any other person as an alternative to seeking reimbursement from the Fund. (Source: P.A. 97-480, eff. 10-1-11.)"

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the bill, as amended, was ordered to a third reading.

HOUSE BILL RECALLED

On motion of Senator Sullivan, **House Bill No. 2773** was recalled from the order of third reading to the order of second reading.

Senator Sullivan moved that Senate Floor Amendment No. 2 be ordered to lie on the table.

The motion to table prevailed.

And **House Bill No. 2773** was returned to the order of third reading.

READING BILL FROM THE HOUSE OF REPRESENTATIVES A THIRD TIME

On motion of Senator Sullivan, **House Bill No. 2773** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

[May 24, 2013]

YEAS 52; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Link	Rezin
Barickman	Frerichs	Luechtefeld	Righter
Bertino-Tarrant	Haine	Manar	Rose
Biss	Harmon	Martinez	Sandoval
Bivins	Harris	McCann	Stadelman
Brady	Hastings	McCarter	Steans
Bush	Holmes	McConnaughay	Sullivan
Clayborne	Hunter	McGuire	Syverson
Collins	Hutchinson	Mulroe	Van Pelt
Connelly	Jones, E.	Muñoz	Mr. President
Cullerton, T.	Koehler	Noland	
Cunningham	Kotowski	Oberweis	
Dillard	LaHood	Radog	
Duffy	Landek	Raoul	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

HOUSE BILL RECALLED

On motion of Senator Link, **House Bill No. 3112** was recalled from the order of third reading to the order of second reading.

Senator Link offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO HOUSE BILL 3112

AMENDMENT NO. 2. Amend House Bill 3112 by replacing everything after the enacting clause with the following:

"Section 5. The School Code is amended by changing Section 27A-4 as follows:

(105 ILCS 5/27A-4)

Sec. 27A-4. General Provisions.

(a) The General Assembly does not intend to alter or amend the provisions of any court-ordered desegregation plan in effect for any school district. A charter school shall be subject to all federal and State laws and constitutional provisions prohibiting discrimination on the basis of disability, race, creed, color, gender, national origin, religion, ancestry, marital status, or need for special education services.

(b) The total number of charter schools operating under this Article at any one time shall not exceed 120. Not more than 70 charter schools shall operate at any one time in any city having a population exceeding 500,000, with at least 5 charter schools devoted exclusively to students from low-performing or overcrowded schools operating at any one time in that city; and not more than 45 charter schools shall operate at any one time in the remainder of the State, with not more than one charter school that has been initiated by a board of education, or by an intergovernmental agreement between or among boards of education, operating at any one time in the school district where the charter school is located. In addition to these charter schools, up to but no more than 5 charter schools devoted exclusively to re-enrolled high school dropouts and/or students 16 or 15 years old at risk of dropping out may operate at any one time in any city having a population exceeding 500,000. Notwithstanding any provision to the contrary in subsection (b) of Section 27A-5 of this Code, each such dropout charter may operate up to 15 campuses within the city. Any of these dropout charters may have a maximum of 1,875 enrollment seats, any one of the campuses of the dropout charter may have a maximum of 165 enrollment seats, and each campus of the dropout charter must be operated, through a contract or payroll, by the same legal entity as that for which the charter is approved and certified.

For purposes of implementing this Section, the State Board shall assign a number to each charter submission it receives under Section 27A-6 for its review and certification, based on the chronological

[May 24, 2013]

order in which the submission is received by it. The State Board shall promptly notify local school boards when the maximum numbers of certified charter schools authorized to operate have been reached.

(c) No charter shall be granted under this Article that would convert any existing private, parochial, or non-public school to a charter school.

(d) Enrollment in a charter school shall be open to any pupil who resides within the geographic boundaries of the area served by the local school board, provided that the board of education in a city having a population exceeding 500,000 may designate attendance boundaries for no more than one-third of the charter schools permitted in the city if the board of education determines that attendance boundaries are needed to relieve overcrowding or to better serve low-income and at-risk students. Students residing within an attendance boundary may be given priority for enrollment, but must not be required to attend the charter school.

(e) Nothing in this Article shall prevent 2 or more local school boards from jointly issuing a charter to a single shared charter school, provided that all of the provisions of this Article are met as to those local school boards.

(f) No local school board shall require any employee of the school district to be employed in a charter school.

(g) No local school board shall require any pupil residing within the geographic boundary of its district to enroll in a charter school.

(h) If there are more eligible applicants for enrollment in a charter school than there are spaces available, successful applicants shall be selected by lottery. However, priority shall be given to siblings of pupils enrolled in the charter school and to pupils who were enrolled in the charter school the previous school year, unless expelled for cause, and priority may be given to pupils residing within the charter school's attendance boundary, if a boundary has been designated by the board of education in a city having a population exceeding 500,000. Dual enrollment at both a charter school and a public school or non-public school shall not be allowed. A pupil who is suspended or expelled from a charter school shall be deemed to be suspended or expelled from the public schools of the school district in which the pupil resides. Notwithstanding anything to the contrary in this subsection (h):

(1) any charter school with a mission exclusive to educating high school dropouts may grant priority admission to students who are high school dropouts and/or students 16 or 15 years old at risk of dropping out and any charter school with a mission exclusive to educating students from low-performing or overcrowded schools may restrict admission to students who are from low-performing or overcrowded schools; "priority admission" - ~~"Priority admission"~~ for charter schools exclusively devoted to re-enrolled dropouts or students at risk of dropping out means a minimum of 90% of students enrolled shall be high school dropouts ; and -

(2) any charter school located in a school district that contains all or part of a federal military base may set aside up to 33% of its current charter enrollment to students with parents assigned to the federal military base, with the remaining 67% subject to the general enrollment and lottery requirements of subsection (d) of this Section and this subsection (h); if a student with a parent assigned to the federal military base withdraws from the charter school during the course of a school year for reasons other than grade promotion, those students with parents assigned to the federal military base shall have preference in filling the vacancy.

(i) (Blank).

(j) Notwithstanding any other provision of law to the contrary, a school district in a city having a population exceeding 500,000 shall not have a duty to collectively bargain with an exclusive representative of its employees over decisions to grant or deny a charter school proposal under Section 27A-8 of this Code, decisions to renew or revoke a charter under Section 27A-9 of this Code, and the impact of these decisions, provided that nothing in this Section shall have the effect of negating, abrogating, replacing, reducing, diminishing, or limiting in any way employee rights, guarantees, or privileges granted in Sections 2, 3, 7, 8, 10, 14, and 15 of the Illinois Educational Labor Relations Act.

(k) In this Section:

"Low-performing school" means a public school in a school district organized under Article 34 of this Code that enrolls students in any of grades kindergarten through 8 and that is ranked within the lowest 10% of schools in that district in terms of the percentage of students meeting or exceeding standards on the Illinois Standards Achievement Test.

"Overcrowded school" means a public school in a school district organized under Article 34 of this Code that (i) enrolls students in any of grades kindergarten through 8, (ii) has a percentage of low-income students of 70% or more, as identified in the most recently available School Report Card published by the State Board of Education, and (iii) is determined by the Chicago Board of Education to be in the most severely overcrowded 5% of schools in the district. On or before November 1 of each

year, the Chicago Board of Education shall file a report with the State Board of Education on which schools in the district meet the definition of "overcrowded school". "Students at risk of dropping out" means students 16 or 15 years old in a public school in a district organized under Article 34 of this Code that enrolls students in any grades 9-12 who have been absent at least 90 school attendance days of the previous 180 school attendance days.

(Source: P.A. 96-105, eff. 7-30-09; 97-151, eff. 1-1-12; 97-624, eff. 11-28-11; 97-813, eff. 7-13-12.)

Section 99. Effective date. This Act takes effect July 1, 2013."

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the bill, as amended, was ordered to a third reading.

READING BILL FROM THE HOUSE OF REPRESENTATIVES A THIRD TIME

On motion of Senator Link, **House Bill No. 3112** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 51; NAY 1.

The following voted in the affirmative:

Althoff	Forby	Landek	Radogno
Barickman	Frerichs	Link	Raoul
Biss	Haine	Luechtefeld	Rezin
Bivins	Harmon	Manar	Righter
Brady	Harris	Martinez	Rose
Bush	Hastings	McCann	Sandoval
Clayborne	Holmes	McCarter	Stadelman
Collins	Hunter	McConaughay	Steans
Connelly	Hutchinson	McGuire	Sullivan
Cullerton, T.	Jones, E.	Mulroe	Syverson
Cunningham	Koehler	Muñoz	Van Pelt
Dillard	Kotowski	Noland	Mr. President
Duffy	LaHood	Oberweis	

The following voted in the negative:

Bertino-Tarrant

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

RESOLUTIONS CONSENT CALENDAR

SENATE RESOLUTION NO. 315

Offered by Senator Harris and all Senators:

Mourns the death of Carol Lee Higgins Kellogg of Chicago.

SENATE RESOLUTION NO. 316

Offered by Senator McCann and all Senators:

Mourns the death of John William Snider.

[May 24, 2013]

SENATE RESOLUTION NO. 317

Offered by Senator McCann and all Senators:
Mourns the death of Georgia Helen Adamski of Springfield.

SENATE RESOLUTION NO. 318

Offered by Senator McCann and all Senators:
Mourns the death of Donald W. Cairns of Carlinville.

SENATE RESOLUTION NO. 319

Offered by Senator McCann and all Senators:
Mourns the death of Charles "Chuck" H. Cincebox of Plainview.

SENATE RESOLUTION NO. 320

Offered by Senator Althoff and all Senators:
Mourns the death of Mary Ann Henley of McHenry, formerly of Marengo.

SENATE RESOLUTION NO. 321

Offered by Senator Althoff and all Senators:
Mourns the death of LeRoy Ernest Wegener of Volo.

SENATE RESOLUTION NO. 322

Offered by Senator McCann and all Senators:
Mourns the death of Jennifer Sue "Jenny" (nee Ivers) Rethorn of Jerseyville.

SENATE RESOLUTION NO. 323

Offered by Senator McCann and all Senators:
Mourns the death of Henry Edward Rethorn of Jerseyville.

SENATE RESOLUTION NO. 324

Offered by Senator Hunter and all Senators:
Mourns the death of Candice Lynn Johnson of Chicago.

SENATE RESOLUTION NO. 325

Offered by Senator Radogno and all Senators:
Mourns the death of James L. Crockett of Woodridge.

SENATE RESOLUTION NO. 327

Offered by Senator Link and all Senators:
Mourns the death of Illinois State Trooper James Sauter of Vernon Hills.

SENATE RESOLUTION NO. 330

Offered by Senator Haine and all Senators:
Mourns the death of Timothy Paul Palermo of Wood River.

SENATE RESOLUTION NO. 331

Offered by Senator Jacobs and all Senators:
Mourns the death of Richard "Dick" Everett Fallow of Davenport, Iowa.

SENATE RESOLUTION NO. 332

Offered by Senator Manar and all Senators:
Mourns the death of Clara Eileen (nee Bruening) Kirkwood of Bunker Hill.

SENATE RESOLUTION NO. 333

Offered by Senator Harris and all Senators:
Mourns the death of David Webb, Sr.

The Chair moved the adoption of the Resolutions Consent Calendar. The motion prevailed, and the resolutions were adopted.

[May 24, 2013]

**MESSAGE FROM THE PRESIDENT
OFFICE OF THE SENATE PRESIDENT
STATE OF ILLINOIS**

JOHN J. CULLERTON
SENATE PRESIDENT

327 STATE CAPITOL
SPRINGFIELD, IL 62706
217-782-2728

May 24, 2013

Mr. Tim Anderson
Secretary of the Senate
Room 403 State House
Springfield, IL 62706

Dear Mr. Secretary:

Pursuant to the provisions of Senate Rule 2-10, I hereby establish May 31, 2013 as the Committee deadline for House Bill 530.

In addition, I hereby establish May 31, 2013 as the 3rd Reading deadline for the following House Bills:

11,71,105,116,129,183,530,1063,1189,1295,1346,1443,1453,1457,1516,1544,1573,1584,
1810,1849,2213,2317,2418,2423,2427,2494,2498,2520,2530,2535,2574,2583,2614,
2716,2747,2752,2753,2764,2767,2812,2869,2925,2943,2955,2977,3006,3021,3043,
3075,3088,3199,3229,3232,3271,3349 and 3390.

Sincerely,
s/John J. Cullerton
John J. Cullerton
Senate President

cc: Senate Republican Leader Christine Radogno

At the hour of 1:23 o'clock p.m., the Chair announced the Senate stand adjourned until Monday, May 27, 2013, at 4:00 o'clock p.m.

[May 24, 2013]