

Community Association Manager Licensing and Disciplinary Act
225 ILCS 427/
(As effective September, 2024)

Sec. 1. Short title.

This Act may be cited as the Community Association Manager Licensing and Disciplinary Act.
(Source: P.A. 96-726, eff. 7-1-10.)

Sec. 5. Legislative intent.

It is the intent of the General Assembly that this Act provide for the licensing and regulation of community association managers and community association management firms, ensure that those who hold themselves out as possessing professional qualifications to engage in the business of community association management are, in fact, qualified to render management services of a professional nature, and provide for the maintenance of high standards of professional conduct by those licensed to provide community association management services.

(Source: P.A. 98-365, eff. 1-1-14.)

Sec. 10. Definitions.

As used in this Act:

"Address of record" means the designated street address, which may not be a post office box, recorded by the Department in the applicant's or licensee's application file or license file maintained by the Department.

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

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

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

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

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

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

"Community association manager" means an individual who:

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

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

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

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

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

(D) maintaining association records;

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

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

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

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

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

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

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

"Licensee" means any person licensed under this Act.

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

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

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

Sec. 12. Address of record; email address of record.

All applicants and licensees shall:

(1) provide a valid address and email address to the Department, which shall serve as the address of record and email address of record, respectively, at the time of application for licensure or renewal of a license; and

(2) inform the Department of any change of address of record or email address of record within 14 days after such change through the Department's website or in a manner prescribed by the Department.

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

Sec. 15. License required.

It shall be unlawful for any person to provide community association management services, provide services as a community association manager, or hold the person out as a community association manager or community association management firm to any community association in this State, unless the person holds a current and valid license issued by the Department or the person is otherwise exempt from licensure under this Act.

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

Sec. 20. Exemptions.

(a) The requirement for holding a license under this Act shall not apply to any of the following:

(1) Any director or officer of a community association providing one or more of the services of a community association manager to a community association without compensation for such services to the association.

(2) Any person providing one or more of the services of a community association manager to a community association of 10 units or less.

(3) A licensed attorney acting solely as an incident to the practice of law.

(4) An individual acting as a receiver, trustee in bankruptcy, administrator, executor, or guardian acting under a court order or under the authority of a court.

(5) A person licensed in this State under any other Act who engages in practices or activities specifically authorized by the Act pursuant to which the license was granted.

(b) A licensed community association manager may not perform or engage in any activities for which a real estate managing broker, real estate broker, or residential leasing agent license is required under the Real Estate License Act of 2000, unless the licensee also possesses a current and valid license under the Real Estate License Act of 2000 and is providing those services as provided for in the Real Estate License Act of 2000 and the applicable rules.

(c) (Blank).

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

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

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

(b) The term of each member shall be for 4 years and until that member's successor is appointed. No member shall be reappointed to the Board for a term that would cause the member's cumulative service to the Board to exceed 12 years. Appointments to fill vacancies shall be made by the Secretary for the unexpired portion of the term. The Secretary shall remove from the Board any member whose license has become void or has been revoked or suspended and may remove any member of the Board for neglect of duty, misconduct, incompetence, or for missing 2 board meetings during any one fiscal year. A member who is subject to formal disciplinary proceedings shall be disqualified from all Board business until the charge is resolved. A member also shall be disqualified from any matter on which the member cannot act objectively.

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

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

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

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

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

(Source: P.A. 102-20, eff. 1-1-22; 102-970, eff. 5-27-22; 103-236, eff. 1-1-24.)

Sec. 27. Immunity from liability.

Any member of the Board, any attorney providing advice to the Board or Department, any person acting as a consultant to the Board or Department, and any witness testifying in a proceeding authorized under this Act, excluding the party making the complaint, shall be immune from liability in any civil action brought for acts occurring while acting in one's capacity as a Board member, attorney, consultant, or witness, respectively, unless the conduct that gave rise to the action was willful or wanton misconduct.

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

Sec. 30. Powers and duties of the Department.

The Department may exercise the following functions, powers and duties:

(a) formulate rules for the administration and enforcement of this Act;

(b) prescribe forms to be issued for the administration and enforcement of this Act and utilize regular or electronic mail, at the discretion of the Department, to send notices and other information to applicants and licensees;

(c) conduct hearings or proceedings to refuse to issue or renew, or to suspend, revoke, place on probation, reprimand, or take disciplinary or non-disciplinary action as the Department may deem appropriate under this Act;

(d) (blank);

(e) seek the advice and expert knowledge of the Board on any matter relating to the administration and enforcement of this Act; and

(f) exercise any and all general powers and duties set forth in Section 2105-15 of the Department of Professional Regulation Law of the Civil Administrative Code of Illinois.

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

Sec. 32. Social Security Number or Individual Taxpayer Identification Number on license application.

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

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

(Source: P.A. 103-236, eff. 1-1-24.)

Sec. 35. Functions and powers of the Board.

Subject to the provisions of this Act, the Board shall exercise, in an advisory capacity, the following functions and powers:

(1) make recommendations regarding rules for the administration and enforcement of this Act, including, but not limited to, experience, education, licensure, disciplinary standards and procedures, renewal and restoration requirements;

(2) make recommendations regarding subjects, topics and areas needed for the examination in order to fairly ascertain the fitness and qualifications of applicants for licensure; and

(3) make recommendations regarding discipline as provided for in this Act.

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

Sec. 40. Qualifications for licensure as a community association manager.

(a) No person shall be qualified for licensure as a community association manager under this Act unless the person has applied in writing on the prescribed forms and has paid the required, nonrefundable fees and has met all of the following qualifications:

(1) Is at least 18 years of age.

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

(2) Provided satisfactory evidence of having completed at least 20 classroom hours in community association management courses approved by the Board.

(3) Passed an examination authorized by the Department.

(4) Has not committed an act or acts, in this or any other jurisdiction, that would be a violation of this Act.

(5) Is of good moral character. In determining moral character under this Section, the Department may take into consideration whether the applicant has engaged in conduct or activities that would constitute grounds for discipline under this Act. Good moral character is a continuing requirement of licensure. Conviction of crimes may be used in determining moral character, but shall not constitute an absolute bar to licensure.

(6) Has not been declared by any court of competent jurisdiction to be incompetent by reason of mental or physical defect or disease, unless subsequently declared by a court to be competent.

(7) Complies with any additional qualifications for licensure as determined by rule of the Department.

(b) (Blank).

(c) (Blank).

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

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

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

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

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

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

(5) convictions overturned by a higher court; or

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

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

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

Sec. 41. Qualifications for licensure as a community association management firm.

Any person who desires to obtain a community association management firm license must:

(1) apply to the Department on forms prescribed by the Department and pay the required fee;

(2) provide evidence to the Department that the community association management firm has a licensed and designated community association manager;

(3) be authorized to conduct business in the State of Illinois and provide proof of such authorization to the Department; and

(4) comply with all requirements as may be set forth by rule.

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

Sec. 42. (Repealed).

(Source: P.A. 100-892, eff. 8-14-18. Repealed by P.A. 102-20, eff. 1-1-22.)

Sec. 45. Examinations.

(a) The Department shall authorize examinations of applicants for licensure as a community association manager at such times and places as it may determine. The examination of applicants shall be of a character to give a fair test of the qualifications of the applicant to practice as a community association manager.

(b) Applicants for examination shall be required to pay, either to the Department or the designated testing service, a fee covering the cost of providing the examination.

(c) The Department may employ consultants to prepare and conduct examinations.

(d) An applicant shall be eligible to take the examination only after successfully completing the education requirements set forth in this Act and attaining the minimum education and age required under this Act.

(e) (Blank).

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

Sec. 50. Community association management firm.

(a) No corporation, partnership, limited liability company, or other legal entity shall provide or offer to provide community association management services, unless it has applied in writing on the prescribed forms and has paid the required nonrefundable fees and provided evidence to the Department that the firm has designated a licensed community association manager to supervise and manage the firm. Having a designated community association manager shall be a continuing requirement of firm licensure.

(b) Any corporation, partnership, limited liability company, or other legal entity that is providing, or offering to provide, community association management services and is not in compliance with this Section and other provisions of this Act shall be subject to the civil penalties, injunctions, cease and desist provisions, and penalties provided for in Sections 90, 92, and 155 of this Act.

(c) No community association manager may be the designated community association manager for more than one firm, corporation, limited liability company, partnership, or other legal entity. The designated community association manager shall supervise and manage all licensed and unlicensed employees acting on behalf of the community association management firm. The designated community association manager shall supervise and manage all independent contractors providing community association management services on behalf of the community association management firm. The community association management firm and the designated community association manager shall be responsible for all actions of which they had knowledge taken on behalf of the community association management firm.

(d) The Department may adopt rules and set all necessary requirements for the implementation of this Section.

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

Sec. 55. Fidelity insurance; segregation of accounts.

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

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

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

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

(A) the designated community association manager;

(B) the community association management firm;

(C) all community association managers;

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

and

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

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

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

(b) A community association management firm that provides community association management services for more than one community association shall maintain separate, segregated accounts for each community association. The funds shall not, in any event, be commingled with the funds of the community association manager, the community association management firm, or any other community association. The maintenance of such accounts shall be custodial, and such accounts shall be in the name of the respective community association.

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

(d) The Department shall have authority to promulgate additional rules regarding insurance, fidelity insurance and all accounts maintained and to be maintained by a community association manager, designated community association manager, or community association management firm.

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

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

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

(b) Any licensee who has an expired license may have the license restored by applying to the Department and filing proof acceptable to the Department of fitness to have the expired license restored, which may include sworn evidence certifying to active practice in another jurisdiction satisfactory to the Department, complying with any continuing education requirements, and paying the required restoration fee.

(c) Any person whose license expired while (i) in federal service on active duty with the Armed Forces of the United States or called into service or training with the State Militia, (ii) in training or education under the supervision of the United States preliminary to induction into the military

service, or (iii) serving as an employee of the Department may have the license renewed or restored without paying any lapsed renewal fees and without completing the continuing education requirements for that licensure period if, within 2 years after honorable termination of the service, training, or education, except under condition other than honorable, the licensee furnishes the Department with satisfactory evidence of engagement and that the service, training, or education has been so honorably terminated.

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

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

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

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

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

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

(Source: P.A. 102-20, eff. 1-1-22; 102-970, eff. 5-27-22; 103-236, eff. 1-1-24.)

Sec. 65. Fees; Division of Real Estate General Fund.

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

(b) In addition to the application fee, applicants for the examination are required to pay, either to the Department or the designated testing service, a fee covering the cost of determining an applicant's eligibility and providing the examination. Failure to appear for the examination on the scheduled date, at the time and place specified, after the applicant's application and fee for examination have been received and acknowledged by the Department or the designated testing service, shall result in the forfeiture of the fee.

(c) All fees, fines, penalties, or other monies received or collected pursuant to this Act shall be deposited in the Division of Real Estate General Fund.

(d) Moneys in the Division of Real Estate General Fund may be transferred to the Professions Indirect Cost Fund, as authorized under Section 2105-300 of the Department of Professional Regulation Law of the Civil Administrative Code of Illinois.

(e) (Blank).

(Source: P.A. 102-20, eff. 1-1-22; 102-970, eff. 5-27-22; 103-616, eff. 7-1-24.)

Sec. 70. Penalty for insufficient funds; payments.

Any person who:

(1) delivers a check or other payment to the Department that is returned to the Department unpaid by the financial institution upon which it is drawn; or

(2) presents a credit or debit card for payment that is invalid or expired or against which charges by the Department are declined or dishonored shall pay to the Department, in addition to the amount already owed to the Department, a fine of \$50. The Department shall notify the person that payment of fees and fines shall be paid to the Department by certified check or money order within 30 calendar days after notification. If, after the expiration of 30 days from the date of the notification, the person has failed to submit the necessary remittance, the Department shall automatically terminate the license or deny the application, without hearing. After termination or denial, the person seeking a license shall apply to the Department for restoration or issuance of the license and pay all fees and fines due to the Department. The Department may establish a fee for the processing of an application for restoration of a license to pay all expenses of processing this application. The Secretary may waive the fines due under this Section in individual cases where the Secretary finds that the fines would be unreasonable or unnecessarily burdensome.

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

Sec. 75. Endorsement.

The Department may issue a community association manager license without the required examination, to an applicant licensed under the laws of another state if the requirements for licensure in that state are, on the date of licensure, substantially equal to the requirements of this Act or to a person who, at the time of application for licensure, possessed individual qualifications that were substantially equivalent to the requirements then in force in this State. An applicant under this Section shall pay all of the required fees.

All applicants under this Act have 3 years from the date of application to complete the application process. If the process has not been completed within the 3 years, the application shall be denied, the fee shall be forfeited, and the applicant must reapply and meet the requirements in effect at the time of reapplication.

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

(225 ILCS 427/80)

Sec. 80. (Repealed).

(Source: P.A. 96-726, eff. 7-1-10. Repealed by P.A. 102-20, eff. 1-1-22.)

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

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

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

(2) Violations of this Act or its rules.

(3) Conviction of or entry of a plea of guilty or plea of nolo contendere, as set forth in subsection (f) of Section 40, to (i) a felony or a misdemeanor under the laws of the United States,

any state, or any other jurisdiction or entry of an administrative sanction by a government agency in this State or any other jurisdiction or (ii) a crime that subjects the licensee to compliance with the requirements of the Sex Offender Registration Act; or the entry of an administrative sanction by a government agency in this State or any other jurisdiction.

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

(5) Professional incompetence.

(6) Gross negligence.

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

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

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

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

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

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

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

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

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

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

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

(18) A finding that licensure has been applied for or obtained by fraudulent means.

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

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

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

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

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

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

(25) Failing to make available to the Department, upon request, any books, records, or forms required by this Act.

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

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

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

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

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

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

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

(33) Failing to disclose to a community association, at the time of making the referral, that a licensee (A) has greater than a 1% ownership interest in a third party to which it refers the community association; or (B) receives or may receive dividends or other profit sharing distributions from a third party, other than a publicly held or traded company, to which it refers the community association.

(b) (Blank).

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

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

(e) In accordance with subdivision (a)(5) of Section 2105-15 of the Department of Professional Regulation Law of the Civil Administrative Code of Illinois (20 ILCS 2105/2105-15) and in cases where the Department of Healthcare and Family Services (formerly Department of Public Aid) has previously determined that a licensee or a potential licensee is more than 30 days delinquent in the payment of child support and has subsequently certified the delinquency to the Department, the

Department may refuse to issue or renew or may revoke or suspend that person's license or may take other disciplinary action against that person based solely upon the certification of delinquency made by the Department of Healthcare and Family Services.

(f) (Blank).

(Source: P.A. 102-20, eff. 1-1-22; 103-236, eff. 1-1-24.)

Sec. 85.1. Citations.

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

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

(c) Payment of a fine that has been assessed pursuant to this Section shall not constitute disciplinary action reportable on the Department's website or elsewhere unless a licensee has previously received 2 or more citations and been assessed 2 or more fines.

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

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

Sec. 86. Illegal discrimination.

When there has been an adjudication in a civil or criminal proceeding that a community association manager or community association management firm has illegally discriminated while engaged in any activity for which a license is required under this Act, the Department, upon the recommendation of the Board as to the extent of the suspension or revocation, shall suspend or revoke the license of that licensee in a timely manner, unless the adjudication is in the appeal process. When there has been an order in an administrative proceeding finding that a licensee has illegally discriminated while engaged in any activity for which a license is required under this Act, the Department, upon recommendation of the Board as to the nature and extent of the discipline,

shall take one or more of the disciplinary actions provided for in Section 85 in a timely manner, unless the administrative order is in the appeal process.

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

Sec. 87. Suspension of license for failure to pay restitution.

The Department, without further process or hearing, shall suspend the license or other authorization to practice of any person issued under this Act who has been certified by court order as not having paid restitution to a person under Section 8A-3.5 of the Illinois Public Aid Code or under Section 17-10.5 or 46-1 of the Criminal Code of 1961 or the Criminal Code of 2012. A person whose license or other authorization to practice is suspended under this Section is prohibited from engaging in the practice of community association management until the restitution is made in full.

(Source: P.A. 97-1150, eff. 1-25-13; 98-365, eff. 1-1-14.)

Sec. 90. Violations; injunctions; cease and desist orders.

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

(b) If any person provides community association management services or provides services as a community association manager to any community association in this State without having a valid license under this Act or, in the case of a community association management firm, without a designated community association manager, then any licensee, any interested party, or any person injured thereby may, in addition to the Secretary, petition for relief as provided in subsection (a) of this Section.

(c) Whenever in the opinion of the Department any person, entity or other business violates any provision of this Act, the Department may issue a rule to show cause why an order to cease and desist should not be entered against such person, firm or other entity. The rule shall clearly set forth the grounds relied upon by the Department and shall provide a period of at least 7 days from the date of the rule to file an answer to the satisfaction of the Department. If the person, firm or other entity fails to file an answer satisfactory to the Department, the matter shall be considered as a default and the Department may cause an order to cease and desist to be issued immediately.

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

Sec. 92. Unlicensed practice; violation; civil penalty.

(a) Any person, entity or other business who practices, offers to practice, attempts to practice, or holds oneself out to practice as a community association manager or community association management firm or provides services as a community association manager or community association management firm to any community association in this State without being licensed under this Act or, in the case of a community association management firm, without a designated community association manager shall, in addition to any other penalty provided by law, pay a civil penalty to the Department in an amount not to exceed \$10,000 for each offense, as determined by

the Department. The civil penalty shall be assessed by the Department after a hearing is held in accordance with the provisions set forth in this Act regarding the provision of a hearing for the discipline of a licensee.

(b) The Department may investigate any and all unlicensed activity.

(c) The civil penalty shall be paid within 60 days after the effective date of the order imposing the civil penalty. The order shall constitute a judgment and may be filed and execution had thereon in the same manner as any judgment from any court of record.

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

Sec. 95. Investigation; notice and hearing.

The Department may investigate the actions or qualifications of a person, which includes an entity, applying for, holding or claiming to hold, or holding oneself out as having a license or rendering or offering to render services for which a license is required by this Act. Before suspending, revoking, placing on probationary status, or taking any other disciplinary action as the Department may deem proper with regard to any license, at least 30 days before the date set for the hearing, the Department shall (i) notify the person charged and the person's designated community association manager, if any, in writing of any charges made and the time and place for a hearing on the charges before the Board, (ii) direct the person to file a written answer to the charges with the Board under oath within 20 days after the service on the person of such notice, and (iii) inform the person that if the person fails to file an answer, default will be taken against the person and the license of the person may be suspended, revoked, placed on probationary status, or other disciplinary action taken with regard to the license, including limiting the scope, nature, or extent of related practice, as the Department may deem proper. The Department shall serve notice under this Section by regular or electronic mail to the person's last address of record or email address of record as provided to the Department. If the person fails to file an answer after receiving notice, the license may, in the discretion of the Department, be suspended, revoked, or placed on probationary status, or the Department may take whatever disciplinary action deemed proper, including limiting the scope, nature, or extent of the person's practice or the imposition of a fine, without a hearing, if the act or acts charged constitute sufficient grounds for such action under this Act. The answer shall be served by regular mail or electronic mail to the Department. At the time and place fixed in the notice, the Department shall proceed to hear the charges and the parties or their counsel shall be accorded ample opportunity to present such statements, testimony, evidence, and argument as may be pertinent to the charges or to the defense thereto. The Department may continue such hearing from time to time. At the discretion of the Secretary after having first received the recommendation of the Board, the person's license may be suspended, revoked, or placed on probationary status or the Department may take whatever disciplinary action considered proper, including limiting the scope, nature, or extent of the person's practice or the imposition of a fine if the act or acts charged constitute sufficient grounds for that action under this Act. A copy of the Department's final disciplinary order shall be delivered to the person's designated community association manager or may be sent to the community association that directly employs the person.

(Source: P.A. 102-20, eff. 1-1-22; 103-236, eff. 1-1-24.)

Sec. 100. Record of proceeding.

The Department, at its expense, shall preserve a record of all proceedings at the formal hearing of any case involving the refusal to restore, issue or renew a license, or the discipline of a licensee.

The notice of hearing, complaint and all other documents in the nature of pleadings and written motions filed in the proceedings, the transcript of testimony, the report of the Board and the orders of the Department shall be the record of the proceedings.

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

Sec. 105. Subpoenas; oaths; attendance of witnesses.

The Department has the power to subpoena documents, books, records, or other materials and to bring before it any person and to take testimony either orally, by deposition, by written interrogatory, or any combination thereof, with the same fees and mileage and in the same manner as prescribed in civil cases in the courts of this State.

The Secretary, the designated hearing officer, and every member of the Board has the power to administer oaths to witnesses at any hearing that the Department is authorized to conduct and any other oaths authorized in any Act administered by the Department.

Any circuit court may, upon application of the Department or its designee, or of the applicant or licensee against whom proceedings under this Act are pending, enter an order requiring the attendance of witnesses and their testimony, and the production of documents, papers, files, books, records or testimony in connection with any hearing or investigation. The court may compel obedience to its order by proceedings for contempt.

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

Sec. 110. Recommendations for disciplinary action.

At the conclusion of the hearing, the Board shall present to the Secretary a written report of its findings and recommendations. The report shall contain a finding whether or not the accused person violated this Act or failed to comply with the conditions required in this Act. The Board shall specify the nature of the violation or failure to comply, and shall make its recommendations to the Secretary.

The report of findings and recommendations of the Board shall be the basis for the Department's order for refusal or for the granting of a license, or for any disciplinary action, unless the Secretary shall determine that the Board's report is contrary to the manifest weight of the evidence, in which case the Secretary may issue an order in contravention of the Board's report. The finding is not admissible in evidence against the person in a criminal prosecution brought for the violation of this Act, but the hearing and finding are not a bar to a criminal prosecution brought for the violation of this Act.

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

Sec. 115. Rehearing.

At the conclusion of a hearing and following deliberation by the Board, a copy of the Board's report shall be served upon the applicant, licensee, or unlicensed person by the Department, either personally or as provided in this Act for the service of a notice of hearing. Within 20 calendar days after service, the respondent may present to the Department a motion in writing for a rehearing that shall specify the particular grounds for rehearing. If no motion for rehearing is filed, then upon the expiration of the time specified for filing a motion, or if a motion for rehearing is denied, then upon denial, the Secretary may enter an order in accordance with recommendations of the Board, except as provided in this Act. If the respondent orders from the reporting service, and pays for, a transcript of the record within the time for filing a motion for rehearing, the 20 calendar day period

within which a motion may be filed shall commence upon the delivery of the transcript to the respondent.

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

Sec. 120. Appointment of a hearing officer.

The Secretary has the authority to appoint any attorney duly licensed to practice law in the State of Illinois to serve as the hearing officer in any action for refusal to issue or renew a license, or to discipline a licensee. The hearing officer has full authority to conduct the hearing. The hearing officer shall report the findings and recommendations to the Board and the Secretary. At its next meeting following receipt of the report, the Board shall review the report of the hearing officer and present its findings of fact, conclusions of law, and recommendations to the Secretary.

If the Board fails to present its report within 30 calendar days following its next meeting after receiving the report, the respondent may request in writing a direct appeal to the Secretary, in which case the Secretary shall, within 7 calendar days after the request, issue an order directing the Board to issue its findings of fact, conclusions of law, and recommendations to the Secretary within 30 calendar days after such order.

If the Board fails to issue its findings of fact, conclusions of law, and recommendations within that time frame to the Secretary after the entry of such order, the Secretary shall, within 30 calendar days thereafter, issue an order based upon the report of the hearing officer and the record of the proceedings or issue an order remanding the matter back to the hearing officer for additional proceedings in accordance with the order.

If (i) a direct appeal is requested, (ii) the Board fails to issue its findings of fact, conclusions of law, and recommendations within the 30-day mandate from the Secretary or the Secretary fails to order the Board to do so, and (iii) the Secretary fails to issue an order within 30 calendar days thereafter, then the hearing officer's report is deemed accepted and a final decision of the Secretary.

Notwithstanding any other provision of this Section, if the Secretary, upon review, determines that substantial justice has not been done in the revocation, suspension, or refusal to issue or renew a license or other disciplinary action taken as the result of the entry of the hearing officer's report, the Secretary may order a rehearing by the same or other examiners. If the Secretary disagrees with the recommendation of the Board or the hearing officer, the Secretary may issue an order in contravention of either recommendation.

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

Sec. 125. Order; certified copy.

An order or a certified copy thereof, over the seal of the Department and purporting to be signed by the Secretary, shall be prima facie proof:

- (a) that the signature is the genuine signature of the Secretary;
- (b) that the Secretary is duly appointed and qualified; and
- (c) that the Board and its members are qualified to act.

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

Sec. 130. Restoration of license.

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

(Source: P.A. 103-236, eff. 1-1-24.)

Sec. 135. (Repealed).

(Source: P.A. 98-365, eff. 1-1-14. Repealed by P.A. 102-20, eff. 1-1-22.)

Sec. 140. Summary suspension.

The Secretary may summarily suspend a license without a hearing, simultaneously with the institution of proceedings for a hearing provided for in this Act, if the Secretary finds evidence indicating that a continuation in practice would constitute an imminent danger to the public. In the event that the Secretary summarily suspends a license without a hearing, a hearing by the Department must be held within 30 calendar days after the suspension has occurred.

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

Sec. 145. Judicial review.

All final administrative decisions of the Department are subject to judicial review under the Administrative Review Law and its rules. The term "administrative decision" is defined as in Section 3-101 of the Code of Civil Procedure. Proceedings for judicial review shall be commenced in the circuit court of the county in which the party applying for review resides; but if the party is not a resident of this State, the venue shall be in Sangamon County or Cook County.

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

Sec. 150. Certification of records.

The Department shall not be required to certify any record to the Court or file any answer in court or otherwise appear in any court in a judicial review proceeding, unless there is filed in the court, with the complaint, a receipt from the Department acknowledging payment of the costs of furnishing and certifying the record. Failure on the part of the plaintiff to file such receipt in Court shall be grounds for dismissal of the action.

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

Sec. 155. Violations; penalties.

(a) A person who violates any of the following provisions shall be guilty of a Class A misdemeanor; a person who commits a second or subsequent violation of these provisions is guilty of a Class 4 felony:

(1) Practicing or attempting to practice or holding oneself out as available to practice as a community association manager without a license.

(2) Operating or attempting to operate a community association management firm without a firm license or a designated community association manager.

(3) Obtaining or attempting to obtain any license or authorization issued under this Act by fraudulent misrepresentation.

(b) Whenever a licensee is convicted of a felony related to the violations set forth in this Section, the Department shall immediately revoke any license authorized under this Act held by that licensee. The licensee shall not be eligible for licensure under this Act until at least 5 years have elapsed since a felony conviction or 3 years since release from confinement for the conviction, whichever is later, without a subsequent conviction.

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

Sec. 157. Confidentiality.

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

(Source: P.A. 97-1021, eff. 8-17-12.)

Sec. 160. Illinois Administrative Procedure Act.

The Illinois Administrative Procedure Act is expressly adopted and incorporated in this Act as if all of the provisions of that Act were included in this Act, except that the provision of paragraph (d) of Section 10-65 of the Illinois Administrative Procedure Act, which provides that at hearings the license holder has the right to show compliance with all lawful requirements for retention, continuation or renewal of the certificate, is specifically excluded. For the purpose of this Act the notice required under Section 10-25 of the Illinois Administrative Procedure Act is deemed sufficient when mailed to the last known address of record maintained for a party by the Department.

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

Sec. 161. Statute of limitations.

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

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

Sec. 162. No private right of action. Except as otherwise expressly provided for in this Act, nothing in this Act shall be construed to grant to any person a private right of action to enforce the provisions of this Act or the rules adopted under this Act.

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

Sec. 165. Home rule.

The regulation and licensing of community association managers and community association management firms are exclusive powers and functions of the State. A home rule unit may not regulate or license community association managers or community association management firms. This Section is a denial and limitation of home rule powers and functions under subsection (h) of Section 6 of Article VII of the Illinois Constitution.

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

Sec. 170. (Repealed).

(Source: P.A. 96-726, eff. 7-1-10. Repealed by P.A. 102-20, eff. 1-1-22.)

Sec. 900. (Amendatory provisions; text omitted).

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

Sec. 950. (Amendatory provisions; text omitted).

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

Sec. 999. Effective date. This Act takes effect July 1, 2010.

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