



Rep. Rita Mayfield

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10400HB2338ham001

LRB104 11924 SPS 23122 a

1 AMENDMENT TO HOUSE BILL 2338

2 AMENDMENT NO. _____. Amend House Bill 2338 on page 1,
3 immediately below line 3, by inserting the following:

4 "Section 3. The Consumer Fraud and Deceptive Business
5 Practices Act is amended by adding Section 2HHHH as follows:

6 (815 ILCS 505/2HHHH new)

7 Sec. 2HHHH. Warranty disclosures for third-party motor
8 vehicle warranties.

9 (a) As used in this Section, "third-party motor vehicle
10 warranty" means an additional warranty, extended service
11 contract, or vehicle protection plan provided by an entity
12 that is not the manufacturer of a vehicle.

13 (b) A motor vehicle dealer that sells or offers for sale a
14 third-party motor vehicle warranty shall, before the sale is
15 completed, provide to the consumer:

16 (1) a copy of the third-party motor vehicle warranty

1 contract; and

2 (2) a written disclosure provided by the third-party
3 motor vehicle warranty provider summarizing all costs that
4 the consumer may be responsible for under the third-party
5 motor vehicle warranty, including, but not limited to:

6 (A) any deductibles, co-pays, or service fees for
7 a covered repair;

8 (B) any maximum coverage limits or caps on
9 reimbursements;

10 (C) any costs or services that are not covered
11 that may result in out-of-pocket expenses; and

12 (D) a statement clarifying that all claim
13 approvals and coverage determinations are made solely
14 by the third-party motor vehicle warranty provider,
15 not the motor vehicle dealer.

16 (c) A motor vehicle dealer shall be deemed to have
17 satisfied the requirements of subsection (b) if the dealer
18 provides the consumer:

19 (1) a completed Federal Trade Commission buyer's
20 guide, as required under 16 CFR 455; and

21 (2) upon request of the consumer, a copy of the
22 third-party motor vehicle warranty contract and a written
23 disclosure that satisfies the requirements of paragraph
24 (2) of subsection (b).

25 (d) A motor vehicle dealer does not violate this Section
26 if:

1 (1) the third-party motor vehicle warranty provider
2 denies a claim made under the third-party motor vehicle
3 warranty; or

4 (2) the third-party motor vehicle warranty provider
5 makes any errors, omissions, or changes in its description
6 of the coverage terms, costs, or conditions of the
7 third-party motor vehicle warranty.

8 (e) A violation of this Section constitutes an unlawful
9 practice within the meaning of this Act."