

SB1303



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB1303

Introduced 1/28/2025, by Sen. Napoleon Harris, III

SYNOPSIS AS INTRODUCED:

625 ILCS 5/6-305.2

Amends the Illinois Vehicle Code. Allows a person who rents a motor vehicle to another may hold the renter liable for physical or mechanical damage to the rented motor vehicle that occurs during the time the motor vehicle is under the rental agreement as well as loss of use which stems from such damage.

LRB104 07486 LNS 17529 b

A BILL FOR

1 AN ACT concerning transportation.

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

4 Section 5. The Illinois Vehicle Code is amended by
5 changing Section 6-305.2 as follows:

6 (625 ILCS 5/6-305.2)

7 Sec. 6-305.2. Limited liability for damage.

8 (a) Damage to private passenger vehicle. A person who
9 rents a motor vehicle to another may hold the renter liable for
10 physical or mechanical damage to the rented motor vehicle that
11 occurs during the time the motor vehicle is under the rental
12 agreement as well as loss of use which stems from such damage.

13 (b) Limits on liability due to theft for a vehicle having
14 an MSRP of \$50,000 or less. The total liability of a renter who
15 rents from another a motor vehicle that has an MSRP of \$50,000
16 or less and that is stolen shall be the actual and reasonable
17 costs incurred by the loss due to theft of the rental motor
18 vehicle up to \$5,000; provided, however, that if it is
19 established that the renter or authorized driver failed to
20 exercise ordinary care while in possession of the vehicle or
21 that the renter or authorized driver committed or aided and
22 abetted the commission of a theft, then the damages shall be
23 the actual and reasonable costs of the rental vehicle up to its

1 fair market value, as determined by the customary market for
2 the sale of the vehicle.

3 Beginning June 1, 2000, and annually each June 1
4 thereafter, the maximum amount that may be recovered from an
5 authorized driver under this subsection (b) shall be increased
6 by \$500 above the maximum recovery allowed immediately prior
7 to June 1 of that year.

8 (b-5) Limits on liability due to theft for a vehicle
9 having an MSRP of more than \$50,000. The total liability of a
10 renter who rents from another a motor vehicle that has an MSRP
11 of more than \$50,000 and that is stolen shall be the actual and
12 reasonable cost incurred by the loss due to theft of the rental
13 motor vehicle up to \$40,000; provided, however that if it is
14 established that the renter or authorized driver failed to
15 exercise ordinary care while in possession of the vehicle or
16 that the renter or authorized driver committed or aided and
17 abetted the commission of a theft, then the damages shall be
18 the actual and reasonable costs of the rental vehicle up to its
19 fair market value, as determined by the customary market for
20 the sale of the vehicle.

21 The maximum recovery for a motor vehicle with a
22 Manufacturer's Suggested Retail Price (MSRP) of more than
23 \$50,000 under this subsection (b-5) shall not exceed \$40,000
24 on the effective date of this amendatory Act of the 99th
25 General Assembly. On October 1, 2016, and for the next 3 years
26 thereafter, the maximum amount that may be recovered from an

1 authorized driver under this subsection (b-5) shall be
2 increased by \$2,500 above the prior year's maximum recovery.
3 On October 1, 2020, and for each year thereafter, the maximum
4 amount that may be recovered from an authorized driver under
5 this subsection (b-5) shall be increased by \$1,000 above the
6 prior year's maximum recovery.

7 (b-10) Beginning on the effective date of this amendatory
8 Act of the 103rd General Assembly and for 6 months after, a
9 person who rents a motor vehicle to another shall provide
10 notice to the renter of the motor vehicle of the changes
11 reflected in this amendatory Act of the 103rd General
12 Assembly. The notice shall be posted in a conspicuous and
13 unobscured place that is separate and apart from any other
14 information.

15 (c) Multiple recoveries prohibited. Any person who rents a
16 motor vehicle to another may not hold the renter liable for any
17 amounts that the rental company recovers from any other party.

18 (d) Repair estimates. A person who rents a motor vehicle
19 to another may not collect or attempt to collect the amount
20 described in subsection (b) or (b-5) unless the rental company
21 obtains an estimate from a repair company or an appraiser in
22 the business of providing such appraisals on the costs of
23 repairing the motor vehicle, makes a copy of the estimate
24 available upon request to the renter who may be liable under
25 subsection (a), or the insurer of the renter, and submits a
26 copy of the estimate with any claim to collect the amount

1 described in subsection (b) or (b-5). In order to collect the
2 amount described in subsection (b-5), a person renting a motor
3 vehicle to another must also provide the renter's personal
4 insurance company with reasonable notice and an opportunity to
5 inspect damages.

6 (d-5) In the event of loss due to theft of the rental motor
7 vehicle with a MSRP more than \$50,000, the rental company
8 shall provide reasonable notice of the theft to the renter's
9 personal insurance company.

10 (e) Duty to mitigate. A claim against a renter resulting
11 from damage or loss to a rental vehicle must be reasonably and
12 rationally related to the actual loss incurred. A rental
13 company shall mitigate damages where possible and shall not
14 assert or collect any claim for physical damage which exceeds
15 the actual costs of the repair, including all discounts or
16 price reductions.

17 (f) No rental company shall require a deposit or an
18 advance charge against the credit card of a renter, in any
19 form, for damages to a vehicle which is in the renter's
20 possession, custody, or control. No rental company shall
21 require any payment for damage to the rental vehicle, upon the
22 renter's return of the vehicle in a damaged condition, until
23 after the cost of the damage to the vehicle and liability
24 therefor is agreed to between the rental company and renter or
25 is determined pursuant to law.

26 (g) If insurance coverage exists under the renter's

1 personal insurance policy and the coverage is confirmed during
2 regular business hours, the renter may require that the rental
3 company must submit any claims to the renter's personal
4 insurance carrier as the renter's agent. The rental company
5 shall not make any written or oral representations that it
6 will not present claims or negotiate with the renter's
7 insurance carrier. For purposes of this Section, confirmation
8 of coverage includes telephone confirmation from insurance
9 company representatives during regular business hours. After
10 confirmation of coverage, the amount of claim shall be
11 resolved between the insurance carrier and the rental company.
12 (Source: P.A. 103-520, eff. 1-1-24.)