

1 AN ACT concerning business.

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

4 Section 5. The Consumer Fraud and Deceptive Business
5 Practices Act is amended by changing Section 2L as follows:

6 (815 ILCS 505/2L) (from Ch. 121 1/2, par. 262L)

7 (Text of Section before amendment by P.A. 99-768)

8 Sec. 2L. Any retail sale of a motor vehicle made after
9 January 1, 1968 to a consumer by a new motor vehicle dealer or
10 used motor vehicle dealer within the meaning of Chapter 5 of
11 the Illinois Vehicle Code is made subject to this Section.

12 (a) The dealer is liable to the purchasing consumer for the
13 following share of the cost of the repair of Power Train
14 components for a period of 30 days from date of delivery,
15 unless the repairs have become necessary by abuse, negligence,
16 or collision. The burden of establishing that a claim for
17 repairs is not within this Section shall be on the selling
18 dealer. The dealer's share of such repair costs is:

19 (1) in the case of a motor vehicle which is not more than 2
20 years old, 50%;

21 (2) in the case of a motor vehicle which is 2 or more, but
22 less than 3 years old, 25%;

23 (3) in the case of a motor vehicle which is 3 or more, but

1 less than 4 years old, 10%; and

2 (4) in the case of a motor vehicle which is 4 or more years
3 old, none.

4 (b) Notwithstanding the foregoing, such a dealer and a
5 purchasing consumer may negotiate a sale and purchase that is
6 not subject to this Section if there is stamped on any purchase
7 order, contract, agreement, or other instrument to be signed by
8 the consumer as a part of that transaction, in at least
9 10-point bold type immediately above the signature line, the
10 following:

11 "THIS VEHICLE IS SOLD AS IS WITH NO WARRANTY
12 AS TO MECHANICAL CONDITION"

13 (c) As used in this Section, "Power Train components" means
14 the engine block, head, all internal engine parts, oil pan and
15 gaskets, water pump, intake manifold, transmission, and all
16 internal transmission parts, torque converter, drive shaft,
17 universal joints, rear axle and all rear axle internal parts,
18 and rear wheel bearings.

19 (d) The repair liability means that the dealer will make
20 necessary Power Train component repairs in his shop, or in the
21 shop of his service affiliate, on the basis of his regular list
22 price charge for parts and labor, where the flat rate list
23 price does not exceed 50% of the selling price of the vehicle
24 at the time repairs are requested.

25 (e) The age of the vehicle shall be measured according to
26 the manufacturer's model year designation as shown on the

1 Certificate of Title or Registration Certificate. Vehicles
2 shall be designated as current year models, one year old, 2
3 year old, and so forth according to the time that has elapsed
4 since January 1 of the appropriate model year so designated.

5 (f) This Section does not preclude the issuance of a
6 warranty or guarantee by a motor vehicle dealer or motor car
7 manufacturer that meets or exceeds the basic provisions of
8 paragraph (a).

9 (g) After the effective date of this amendatory Act of
10 1989, executives' and officials' cars when so advertised shall
11 have been used exclusively by executives of the parent motor
12 car manufacturer's personnel or by an executive of an
13 authorized dealer in the same make of car. These cars, so
14 advertised, shall not have been sold to a member of the public
15 prior to the appearance of the advertisement.

16 Any person who violates this Section commits an unlawful
17 practice within the meaning of this Act.

18 (Source: P.A. 86-351; 87-1140.)

19 (Text of Section after amendment by P.A. 99-768)

20 Sec. 2L. Used motor vehicles; modification or disclaimer of
21 implied warranty of merchantability limited.

22 (a) Any retail sale of a used motor vehicle made after the
23 effective date of this amendatory Act of the 99th General
24 Assembly to a consumer by a licensed vehicle dealer within the
25 meaning of Chapter 5 of the Illinois Vehicle Code or by an

1 auction company at an auction that is open to the general
2 public is made subject to this Section.

3 (b) This Section does not apply to vehicles with more than
4 150,000 miles at the time of sale. In addition, this Section
5 does not apply to vehicles with titles that have been branded
6 "rebuilt" or "flood".

7 (c) Any sale of a used motor vehicle as described in
8 subsection (a) may not exclude, modify, or disclaim the implied
9 warranty of merchantability prescribed in Section 2-314 of the
10 Uniform Commercial Code or limit the remedies for a breach of
11 the warranty before midnight of the 15th calendar day after
12 delivery of a used motor vehicle or until a used motor vehicle
13 is driven 500 miles after delivery, whichever is earlier. In
14 calculating time under this Section, a day on which the
15 warranty is breached and all subsequent days in which the used
16 motor vehicle fails to conform with the implied warranty of
17 merchantability are excluded. In calculating distance under
18 this Section, the miles driven to obtain or in connection with
19 the repair, servicing, or testing of a used motor vehicle that
20 fails to conform with the implied warranty of merchantability
21 are excluded. An attempt to exclude, modify, or disclaim the
22 implied warranty of merchantability or to limit the remedies
23 for a breach of the warranty in violation of this Section
24 renders a purchase agreement voidable at the option of the
25 purchaser.

26 (d) An implied warranty of merchantability is met if a used

1 motor vehicle functions free of a defect in a power train
2 component. As used in this Section, "power train component"
3 means the engine block, head, all internal engine parts, oil
4 pan and gaskets, water pump, intake manifold, transmission, and
5 all internal transmission parts, torque converter, drive
6 shaft, universal joints, rear axle and all rear axle internal
7 parts, and rear wheel bearings.

8 (e) The implied warranty of merchantability expires at
9 midnight of the 15th calendar day after delivery of a used
10 motor vehicle or when a used motor vehicle is driven 500 miles
11 after delivery, whichever is earlier. In calculating time, a
12 day on which the implied warranty of merchantability is
13 breached is excluded and all subsequent days in which the used
14 motor vehicle fails to conform with the warranty are also
15 excluded. In calculating distance, the miles driven to or by
16 the seller to obtain or in connection with the repair,
17 servicing, or testing of a used motor vehicle that fails to
18 conform with the implied warranty of merchantability are
19 excluded. An implied warranty of merchantability does not
20 extend to damage that occurs after the sale of the used motor
21 vehicle that results from:

22 (1) off-road use;

23 (2) racing;

24 (3) towing;

25 (4) abuse;

26 (5) misuse;

1 (6) neglect;

2 (7) failure to perform regular maintenance; and

3 (8) failure to maintain adequate oil, coolant, and
4 other required fluids or lubricants.

5 (f) If the implied warranty of merchantability described in
6 this Section is breached, the consumer shall give reasonable
7 notice to the seller no later than 2 business days after the
8 end of the statutory warranty period. Before the consumer
9 exercises another remedy pursuant to Article 2 of the Uniform
10 Commercial Code, the seller shall have a reasonable opportunity
11 to repair the used motor vehicle. The consumer shall pay
12 one-half of the cost of the first 2 repairs necessary to bring
13 the used motor vehicle into compliance with the warranty. The
14 payments by the consumer are limited to a maximum payment of
15 \$100 for each repair; however, the consumer shall only be
16 responsible for a maximum payment of \$100 if the consumer
17 brings in the vehicle for a second repair for the same defect.
18 Reasonable notice as defined in this Section shall include, but
19 not be limited to:

20 (1) text, provided the seller has provided the consumer
21 with a cell phone number;

22 (2) phone call or message to the seller's business
23 phone number provided on the seller's bill of sale for the
24 purchase of the motor vehicle;

25 (3) in writing to the seller's address provided on the
26 seller's bill of sale for the purchase of the motor

1 vehicle;

2 (4) in person at the seller's address provided on the
3 seller's bill of sale for the purchase of the motor
4 vehicle.

5 (g) The maximum liability of a seller for repairs pursuant
6 to this Section is limited to the purchase price paid for the
7 used motor vehicle, to be refunded to the consumer or lender,
8 as applicable, in exchange for return of the vehicle.

9 (h) An agreement for the sale of a used motor vehicle
10 subject to this Section is voidable at the option of the
11 consumer, unless it contains on its face or in a separate
12 document the following conspicuous statement printed in
13 boldface 10-point or larger type set off from the body of the
14 agreement:

15 "Illinois law requires that this vehicle will be free of a
16 defect in a power train component for 15 days or 500 miles
17 after delivery, whichever is earlier, except with regard to
18 particular defects disclosed on the first page of this
19 agreement. "Power train component" means the engine block,
20 head, all internal engine parts, oil pan and gaskets, water
21 pump, intake manifold, transmission, and all internal
22 transmission parts, torque converter, drive shaft, universal
23 joints, rear axle and all rear axle internal parts, and rear
24 wheel bearings. You (the consumer) will have to pay up to \$100
25 for each of the first 2 repairs if the warranty is violated."

26 (i) The inclusion in the agreement of the statement

1 prescribed in subsection (h) of this Section does not create an
2 express warranty.

3 (j) A consumer of a used motor vehicle may waive the
4 implied warranty of merchantability only for a particular
5 defect in the vehicle including, but not limited to, a rebuilt
6 or flood-branded title and only if all of the following
7 conditions are satisfied:

8 (1) the seller subject to this Section fully and
9 accurately discloses to the consumer that because of
10 circumstances unusual to the business, the used motor
11 vehicle has a particular defect;

12 (2) the consumer agrees to buy the used motor vehicle
13 after disclosure of the defect; and

14 (3) before the sale, the consumer indicates agreement
15 to the waiver by signing and dating the following
16 conspicuous statement that is printed on the first page of
17 the sales agreement or on a separate document in boldface
18 10-point or larger type and that is written in the language
19 in which the presentation was made:

20 "Attention consumer: sign here only if the seller has
21 told you that this vehicle has the following problem or
22 problems and you agree to buy the vehicle on those terms:

- 23 1.
- 24 2.
- 25 3. "

26 (k) It shall be an affirmative defense to any claim under

1 this Section that:

2 (1) an alleged nonconformity does not substantially
3 impair the use and market value of the motor vehicle;

4 (2) a nonconformity is the result of abuse, neglect, or
5 unauthorized modifications or alterations of the motor
6 vehicle;

7 (3) a claim by a consumer was not filed in good faith;
8 or

9 (4) any other affirmative defense allowed by law.

10 (1) Other than the 15-day, 500-mile implied warranty of
11 merchantability identified herein, a seller subject to this
12 Section is not required to provide any further express or
13 implied warranties to a purchasing consumer unless:

14 (1) the seller is required by federal or State law to
15 provide a further express or implied warranty; or

16 (2) the seller fails to fully inform and disclose to
17 the consumer that the vehicle is being sold without any
18 further express or implied warranties, other than the 15
19 day, 500 mile implied warranty of merchantability
20 identified in this Section.

21 (m) This Section does not apply to the sale of antique
22 vehicles, as defined in the Illinois Vehicle Code, or to
23 collector motor vehicles.

24 Any person who violates this Section commits an unlawful
25 practice within the meaning of this Act.

26 (Source: P.A. 99-768, eff. 7-1-17.)

1 Section 95. No acceleration or delay. Where this Act makes
2 changes in a statute that is represented in this Act by text
3 that is not yet or no longer in effect (for example, a Section
4 represented by multiple versions), the use of that text does
5 not accelerate or delay the taking effect of (i) the changes
6 made by this Act or (ii) provisions derived from any other
7 Public Act.

8 Section 99. Effective date. This Act takes effect upon
9 becoming law.