



Sen. Terry Link

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LRB100 03434 KTG 26868 a

1 AMENDMENT TO HOUSE BILL 1560

2 AMENDMENT NO. _____. Amend House Bill 1560 by replacing
3 everything after the enacting clause with the following:

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

1 repairs is not within this Section shall be on the selling
2 dealer. The dealer's share of such repair costs is:

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

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

7 (3) in the case of a motor vehicle which is 3 or more, but
8 less than 4 years old, 10%; and

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

11 (b) Notwithstanding the foregoing, such a dealer and a
12 purchasing consumer may negotiate a sale and purchase that is
13 not subject to this Section if there is stamped on any purchase
14 order, contract, agreement, or other instrument to be signed by
15 the consumer as a part of that transaction, in at least
16 10-point bold type immediately above the signature line, the
17 following:

18 "THIS VEHICLE IS SOLD AS IS WITH NO WARRANTY

19 AS TO MECHANICAL CONDITION"

20 (c) As used in this Section, "Power Train components" means
21 the engine block, head, all internal engine parts, oil pan and
22 gaskets, water pump, intake manifold, transmission, and all
23 internal transmission parts, torque converter, drive shaft,
24 universal joints, rear axle and all rear axle internal parts,
25 and rear wheel bearings.

26 (d) The repair liability means that the dealer will make

1 necessary Power Train component repairs in his shop, or in the
2 shop of his service affiliate, on the basis of his regular list
3 price charge for parts and labor, where the flat rate list
4 price does not exceed 50% of the selling price of the vehicle
5 at the time repairs are requested.

6 (e) The age of the vehicle shall be measured according to
7 the manufacturer's model year designation as shown on the
8 Certificate of Title or Registration Certificate. Vehicles
9 shall be designated as current year models, one year old, 2
10 year old, and so forth according to the time that has elapsed
11 since January 1 of the appropriate model year so designated.

12 (f) This Section does not preclude the issuance of a
13 warranty or guarantee by a motor vehicle dealer or motor car
14 manufacturer that meets or exceeds the basic provisions of
15 paragraph (a).

16 (g) After the effective date of this amendatory Act of
17 1989, executives' and officials' cars when so advertised shall
18 have been used exclusively by executives of the parent motor
19 car manufacturer's personnel or by an executive of an
20 authorized dealer in the same make of car. These cars, so
21 advertised, shall not have been sold to a member of the public
22 prior to the appearance of the advertisement.

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

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

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

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

4 (a) Any retail sale of a used motor vehicle made after the
5 effective date of this amendatory Act of the 99th General
6 Assembly to a consumer by a licensed vehicle dealer within the
7 meaning of Chapter 5 of the Illinois Vehicle Code or by an
8 auction company at an auction that is open to the general
9 public is made subject to this Section.

10 (b) This Section does not apply to any of the following:

11 (1) a vehicle ~~vehicles~~ with more than 150,000 miles at
12 the time of sale; ~~In addition, this Section does not apply~~
13 ~~to~~

14 (2) a vehicle ~~vehicles~~ with a title ~~titles~~ that has
15 ~~have~~ been branded "rebuilt" or "flood";~~;~~

16 (3) a vehicle with a gross vehicle weight rating of
17 8,000 pounds or more;

18 (4) a vehicle for which the odometer certification
19 states "not the actual mileage" or "mileage is in excess of
20 its mechanical limits"; or

21 (5) a vehicle that is an antique vehicle, as defined in
22 the Illinois Vehicle Code, or that is a collector motor
23 vehicle.

24 (b-5) This Section does not apply to the sale of any
25 vehicle for which the dealer offers an express warranty that
26 provides coverage that is substantially equal to or greater

1 than the limited implied warranty of merchantability required
2 under this Section 2L.

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

23 (d) An implied warranty of merchantability is met if a used
24 motor vehicle functions for the purpose of ordinary
25 transportation on the public highway and substantially free of
26 a defect in a power train component. As used in this Section,

1 "power train component" means the engine block, head, all
2 internal engine parts, oil pan and gaskets, water pump, intake
3 manifold, transmission, and all internal transmission parts,
4 torque converter, drive shaft, universal joints, rear axle and
5 all rear axle internal parts, and rear wheel bearings.

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

- 20 (1) off-road use;
- 21 (2) racing;
- 22 (3) towing;
- 23 (4) abuse;
- 24 (5) misuse;
- 25 (6) neglect;
- 26 (7) failure to perform regular maintenance; and

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

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

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

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

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

26 (4) in person at the seller's address provided on the

1 seller's bill of sale for the purchase of the motor
2 vehicle.

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

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

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

24 (i) The inclusion in the agreement of the statement
25 prescribed in subsection (h) of this Section does not create an
26 express warranty.

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

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

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

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

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

- 21 1.
- 22 2.
- 23 3. "

24 (k) It shall be an affirmative defense to any claim under
 25 this Section that:

26 (1) an alleged nonconformity does not substantially

1 impair the use and market value of the motor vehicle;

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

5 (3) a claim by a consumer was not filed in good faith;
6 or

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

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

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

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

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

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

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

25 Section 95. No acceleration or delay. Where this Act makes

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

7 Section 99. Effective date. This Act takes effect July 1,
8 2017."