



Rep. Arthur Turner

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1 AMENDMENT TO SENATE BILL 2641

2 AMENDMENT NO. _____. Amend Senate Bill 2641, AS AMENDED,
3 by replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Automobile Renting Occupation and Use Tax
6 Act is amended by changing Section 2 as follows:

7 (35 ILCS 155/2) (from Ch. 120, par. 1702)

8 Sec. 2. Definitions. "Renting" means any transfer of the
9 possession or right to possession of an automobile to a user
10 for a valuable consideration for a period of one year or less,
11 including the facilitation of a privately-owned passenger
12 motor vehicle for use by persons other than the vehicle's
13 registered owner as an part of a car facilitation transaction,
14 as defined in Section 1-110.06 of the Illinois Vehicle Code.

15 "Renting" does not include making a charge for the use of
16 an automobile where the rentor, either himself or through an

1 agent, furnishes a service of operating an automobile so that
2 the rentor remains in possession of the automobile, because
3 this does not constitute a transfer of possession or right to
4 possession of the automobile.

5 "Renting" does not include the making of a charge by an
6 automobile dealer for the use of an automobile as a
7 demonstrator in connection with the dealer's business of
8 selling, where the charge is merely made to recover the costs
9 of operating the automobile as a demonstrator and is not
10 intended as a rental or leasing charge in the ordinary sense.

11 "Automobile" means (1) any motor vehicle of the first
12 division, or (2) a motor vehicle of the second division which:
13 (A) is a self-contained motor vehicle designed or permanently
14 converted to provide living quarters for recreational, camping
15 or travel use, with direct walk through access to the living
16 quarters from the driver's seat; (B) is of the van
17 configuration designed for the transportation of not less than
18 7 nor more than 16 passengers, as defined in Section 1-146 of
19 the Illinois Vehicle Code; or (C) has a Gross Vehicle Weight
20 Rating, as defined in Section 1-124.5 of the Illinois Vehicle
21 Code, of 8,000 pounds or less.

22 "Department" means the Department of Revenue.

23 "Person" means any natural individual, firm, partnership,
24 association, joint stock company, joint adventure, public or
25 private corporation, limited liability company, or a receiver,
26 executor, trustee, conservator or other representative

1 appointed by order of any court.

2 "Rentor" means any person, firm, corporation or
3 association engaged in the business of renting or leasing
4 automobiles to users. For this purpose, the objective of making
5 a profit is not necessary to make the renting activity a
6 business.

7 "Rentee" means any user to whom the possession, or the
8 right to possession, of an automobile is transferred for a
9 valuable consideration for a period of one year or less,
10 whether paid for by the "rentee" or by someone else.

11 "Gross receipts" from the renting of tangible personal
12 property or "rent" means the total rental price or leasing
13 price. In the case of rental transactions in which the
14 consideration is paid to the rentor on an installment basis,
15 the amounts of such payments shall be included by the rentor in
16 gross receipts or rent only as and when payments are received
17 by the rentor.

18 "Gross receipts" does not include receipts received by an
19 automobile dealer from a manufacturer or service contract
20 provider for the use of an automobile by a person while that
21 person's automobile is being repaired by that automobile dealer
22 and the repair is made pursuant to a manufacturer's warranty or
23 a service contract where a manufacturer or service contract
24 provider reimburses that automobile dealer pursuant to a
25 manufacturer's warranty or a service contract and the
26 reimbursement is merely made to recover the costs of operating

1 the automobile as a loaner vehicle.

2 "Rental price" means the consideration for renting or
3 leasing an automobile valued in money, whether received in
4 money or otherwise, including cash credits, property and
5 services, and shall be determined without any deduction on
6 account of the cost of the property rented, the cost of
7 materials used, labor or service cost, or any other expense
8 whatsoever, but does not include charges that are added by a
9 rentor on account of the rentor's tax liability under this Act
10 or on account of the rentor's duty to collect, from the rentee,
11 the tax that is imposed by Section 4 of this Act. The phrase
12 "rental price" does not include compensation paid to a rentor
13 by a rentee in consideration of the waiver by the rentor of any
14 right of action or claim against the rentee for loss or damage
15 to the automobile rented and also does not include a separately
16 stated charge for insurance or recovery of refueling costs or
17 other separately stated charges that are not for the use of
18 tangible personal property.

19 (Source: P.A. 98-574, eff. 1-1-14.)

20 Section 10. The Counties Code is amended by changing
21 Section 5-1032 as follows:

22 (55 ILCS 5/5-1032) (from Ch. 34, par. 5-1032)

23 Sec. 5-1032. County Automobile Renting Occupation Tax. The
24 corporate authorities of a county may impose a tax upon all

1 persons engaged in the business of renting automobiles in the
2 county, but outside any municipality, at the rate of not to
3 exceed 1% of the gross receipts from such business. For the
4 purposes of imposing a tax under this Section, the facilitation
5 of a privately-owned passenger motor vehicle for use by a
6 person other than the vehicle's registered owner as a part of a
7 car facilitation transaction, as defined in Section 1-110.06 of
8 the Illinois Vehicle Code, constitutes engaging in the business
9 of renting automobiles in the county. The tax imposed by a
10 county pursuant to this Section and all civil penalties that
11 may be assessed as an Incident thereof shall be collected and
12 enforced by the State Department of Revenue. The certificate of
13 registration which is issued by the Department to a retailer
14 under the "Retailers' Occupation Tax Act", approved June 23,
15 1933, as amended, or under the "Automobile Renting Occupation
16 and Use Tax Act", enacted by the Eighty-Second General
17 Assembly, shall permit such person to engage in a business
18 which is taxable under any ordinance or resolution enacted
19 pursuant to this Section without registering separately with
20 the Department under such ordinance or resolution or under this
21 Section. The Department shall have full power to administer and
22 enforce this Section; to collect all taxes and penalties due
23 hereunder; to dispose of taxes and penalties so collected in
24 the manner hereinafter provided, and to determine all rights to
25 credit memoranda, arising on account of the erroneous payment
26 of tax or penalty hereunder. In the administration of, and

1 compliance with, this Section, the Department and persons who
2 are subject to this Section shall have the same rights,
3 remedies, privileges, immunities, powers and duties, and be
4 subject to the same conditions, restrictions, limitations,
5 penalties and definitions of terms, and employ the same modes
6 of procedure, as are prescribed in Sections 2 and 3 (in respect
7 to all provisions therein other than the State rate of tax; and
8 with relation to the provisions of the "Retailers' Occupation
9 Tax" referred to therein, except as to the disposition of taxes
10 and penalties collected, and except for the provision allowing
11 retailers a deduction from the tax to cover certain costs, and
12 except that credit memoranda issued hereunder may not be used
13 to discharge any State tax liability) of the "Automobile
14 Renting Occupation and Use Tax Act", as the same are now or may
15 hereafter be amended, as fully as if provisions contained in
16 those Sections of said Act were set forth herein.

17 Persons subject to any tax imposed pursuant to the
18 authority granted in this Section may reimburse themselves for
19 their tax liability hereunder by separately stating such tax as
20 an additional charge, which charge may be stated in
21 combination, in a single amount, with State tax which sellers
22 are required to collect under the "Automobile Renting
23 Occupation and Use Tax Act" pursuant to such bracket schedules
24 as the Department may prescribe.

25 Whenever the Department determines that a refund should be
26 made under this Section to a claimant instead of issuing a

1 credit memorandum, the Department shall notify the State
2 Comptroller, who shall cause the order to be drawn for the
3 amount specified, and to the person named, in such notification
4 from the Department. Such refund shall be paid by the State
5 Treasurer out of the county automobile renting tax fund.

6 The Department shall forthwith pay over to the State
7 Treasurer, ex-officio, as trustee, all taxes and penalties
8 collected hereunder. On or before the 25th day of each calendar
9 month, the Department shall prepare and certify to the
10 Comptroller the disbursement of stated sums of money to named
11 counties from which renters have paid taxes or penalties
12 hereunder to the Department during the second preceding
13 calendar month. The amount to be paid to each county shall be
14 the amount (not including credit memoranda) collected
15 hereunder during the second preceding calendar month by the
16 Department, and not including an amount equal to the amount of
17 refunds made during the second preceding calendar month by the
18 Department on behalf of such county, less 2% of such balance,
19 which sum shall be retained by the State Treasurer to cover the
20 costs incurred by the Department in administering and enforcing
21 this Section as provided herein. The Department at the time of
22 each monthly disbursement to the counties shall prepare and
23 certify to the Comptroller the amount, so retained by the State
24 Treasurer, to be paid into the General Revenue Fund of the
25 State Treasury. Within 10 days after receipt, by the
26 Comptroller, of the disbursement certification to the counties

1 and the General Revenue Fund, provided for in this Section to
2 be given to the Comptroller by the Department, the Comptroller
3 shall cause the orders to be drawn for the respective amounts
4 in accordance with the directions contained in such
5 certification.

6 Nothing in this Section shall be construed to authorize a
7 county to impose a tax upon the privilege of engaging in any
8 business which under the constitution of the United States may
9 not be made the subject of taxation by this State.

10 An ordinance or resolution imposing a tax hereunder or
11 effecting a change in the rate thereof shall be effective on
12 the first day of the calendar month next following the month in
13 which such ordinance or resolution is passed. The corporate
14 authorities of any county which levies a tax authorized by this
15 Section shall transmit to the Department of Revenue on or not
16 later than 5 days after passage of the ordinance or resolution
17 a certified copy of the ordinance or resolution imposing such
18 tax whereupon the Department of Revenue shall proceed to
19 administer and enforce this Section on behalf of such county as
20 of the effective date of the ordinance or resolution. Upon a
21 change in rate of a tax levied hereunder, or upon the
22 discontinuance of the tax, the corporate authorities of the
23 county shall on or not later than 5 days after passage of the
24 ordinance or resolution discontinuing the tax or effecting a
25 change in rate transmit to the Department of Revenue a
26 certified copy of the ordinance or resolution effecting such

1 change or discontinuance.

2 The Department of Revenue must upon the request of the
3 County Clerk or County Board submit to a county a list of those
4 persons who are registered with the Department to pay
5 automobile renting occupation tax within the unincorporated
6 area of that governmental unit. This list shall contain only
7 the names of persons who have paid the tax and not the amount
8 of tax paid by such person.

9 This Section shall be known and may be cited as the "County
10 Automobile Renting Occupation Tax Law".

11 (Source: P.A. 86-962.)

12 Section 15. The Illinois Municipal Code is amended by
13 changing Section 8-11-7 as follows:

14 (65 ILCS 5/8-11-7) (from Ch. 24, par. 8-11-7)

15 Sec. 8-11-7. The corporate authorities of a municipality
16 may impose a tax upon all persons engaged in the business of
17 renting automobiles in the municipality at the rate of not to
18 exceed 1% of the gross receipts from such business. For the
19 purposes of imposing a tax under this Section, the facilitation
20 of a privately-owned passenger motor vehicle for use by a
21 person other than the vehicle's registered owner as a part of a
22 car facilitation transaction, as defined in Section 1-110.06 of
23 the Illinois Vehicle Code, constitutes engaging in the business
24 of renting automobiles in the municipality. The tax imposed by

1 a municipality pursuant to this Section and all civil penalties
2 that may be assessed as an incident thereof shall be collected
3 and enforced by the State Department of Revenue. The
4 certificate of registration which is issued by the Department
5 to a retailer under the Retailers' Occupation Tax Act or under
6 the Automobile Renting Occupation and Use Tax Act shall permit
7 such person to engage in a business which is taxable under any
8 ordinance or resolution enacted pursuant to this Section
9 without registering separately with the Department under such
10 ordinance or resolution or under this Section. The Department
11 shall have full power to administer and enforce this Section;
12 to collect all taxes and penalties due hereunder; to dispose of
13 taxes and penalties so collected in the manner hereinafter
14 provided; and to determine all rights to credit memoranda,
15 arising on account of the erroneous payment of tax or penalty
16 hereunder. In the administration of, and compliance with, this
17 Section, the Department and persons who are subject to this
18 Section shall have the same rights, remedies, privileges,
19 immunities, powers and duties, and be subject to the same
20 conditions, restrictions, limitations, penalties and
21 definitions of terms, and employ the same modes of procedure,
22 as are prescribed in Sections 2 and 3 (in respect to all
23 provisions therein other than the State rate of tax; and with
24 relation to the provisions of the "Retailers' Occupation Tax"
25 referred to therein, except as to the disposition of taxes and
26 penalties collected, and except for the provision allowing

1 retailers a deduction from the tax to cover certain costs, and
2 except that credit memoranda issued hereunder may not be used
3 to discharge any State tax liability) of the Automobile Renting
4 Occupation and Use Tax Act, as fully as if those provisions
5 were set forth herein.

6 Persons subject to any tax imposed pursuant to the
7 authority granted in this Section may reimburse themselves for
8 their tax liability hereunder by separately stating such tax as
9 an additional charge, which charge may be stated in
10 combination, in a single amount, with State tax which sellers
11 are required to collect under the Automobile Renting Occupation
12 and Use Tax Act pursuant to such bracket schedules as the
13 Department may prescribe.

14 Whenever the Department determines that a refund should be
15 made under this Section to a claimant instead of issuing a
16 credit memorandum, the Department shall notify the State
17 Comptroller, who shall cause the order to be drawn for the
18 amount specified, and to the person named, in such notification
19 from the Department. Such refund shall be paid by the State
20 Treasurer out of the municipal automobile renting tax fund.

21 The Department shall forthwith pay over to the State
22 Treasurer, ex-officio, as trustee, all taxes and penalties
23 collected hereunder. On or before the 25th day of each calendar
24 month, the Department shall prepare and certify to the
25 Comptroller the disbursement of stated sums of money to named
26 municipalities, the municipalities to be those from which

1 rentors have paid taxes or penalties hereunder to the
2 Department during the second preceding calendar month. The
3 amount to be paid to each municipality shall be the amount (not
4 including credit memoranda) collected hereunder during the
5 second preceding calendar month by the Department, and not
6 including an amount equal to the amount of refunds made during
7 the second preceding calendar month by the Department on behalf
8 of such municipality, less 1.6% of such balance, which sum
9 shall be retained by the State Treasurer to cover the costs
10 incurred by the Department in administering and enforcing this
11 Section as provided herein. The Department at the time of each
12 monthly disbursement to the municipalities shall prepare and
13 certify to the Comptroller the amount, so retained by the State
14 Treasurer, to be paid into the General Revenue Fund of the
15 State Treasury. Within 10 days after receipt, by the
16 Comptroller, of the disbursement certification to the
17 municipalities and the General Revenue Fund, provided for in
18 this Section to be given to the Comptroller by the Department,
19 the Comptroller shall cause the orders to be drawn for the
20 respective amounts in accordance with the directions contained
21 in such certification.

22 Nothing in this Section shall be construed to authorize a
23 municipality to impose a tax upon the privilege of engaging in
24 any business which under the Constitution of the United States
25 may not be made the subject of taxation by this State.

26 An ordinance or resolution imposing a tax hereunder or

1 effecting a change in the rate thereof shall be effective on
2 the first day of the calendar month next following publication
3 as provided in Section 1-2-4. The corporate authorities of any
4 municipality which levies a tax authorized by this Section
5 shall transmit to the Department of Revenue on or not later
6 than 5 days after publication a certified copy of the ordinance
7 or resolution imposing such tax whereupon the Department of
8 Revenue shall proceed to administer and enforce this Section on
9 behalf of such municipality as of the effective date of the
10 ordinance or resolution. Upon a change in rate of a tax levied
11 hereunder, or upon the discontinuance of the tax, the corporate
12 authorities of the municipality shall on or not later than 5
13 days after publication of the ordinance or resolution
14 discontinuing the tax or effecting a change in rate transmit to
15 the Department of Revenue a certified copy of the ordinance or
16 resolution effecting such change or discontinuance.

17 The Department of Revenue must upon the request of the
18 municipal clerk, city council or village board of trustees
19 submit to a city, village or incorporated town a list of those
20 persons who are registered with the Department to pay
21 automobile renting occupation tax within that governmental
22 unit. This list shall contain only the names of persons who
23 have paid the tax and not the amount of tax paid by such
24 person.

25 As used in this Section, "municipal" and "municipality"
26 means a city, village or incorporated town, including an

1 incorporated town which has superseded a civil township.

2 This Section shall be known and may be cited as the
3 "Municipal Automobile Renting Occupation Tax Act".

4 (Source: P.A. 86-1475.)

5 Section 20. The Illinois Vehicle Code is amended by
6 changing Sections 6-305.3 and 9-101 and by adding Sections
7 1-110.05, 1-110.06, 1-146.7, and 1-171.01e as follows:

8 (625 ILCS 5/1-110.05 new)

9 Sec. 1-110.05. Car facilitation company. A legal entity
10 qualified to do business in this State engaged in the business
11 of facilitating the use, rental, or sharing of privately-owned
12 passenger motor vehicles for noncommercial use by individuals
13 within this State. "Car facilitation company" does not include
14 the registered owner of the vehicle involved in a car
15 facilitation transaction facilitated by a car facilitation
16 company.

17 (625 ILCS 5/1-110.06 new)

18 Sec. 1-110.06. Car facilitation transaction. The use of a
19 privately-owned passenger motor vehicle by a person other than
20 the vehicle's registered owner as facilitated by a car
21 facilitation company.

22 (625 ILCS 5/1-146.7 new)

1 Sec. 1-146.7. Motor vehicle rental company. Any person or
2 entity whose primary business is renting motor vehicles to the
3 public for 30 days or less, including a car facilitation
4 company as defined in Section 1-110.05. "Motor vehicle rental
5 company" also includes a rental car company, rental car agency,
6 automobile rental company, vehicle rental company, rental
7 owner, or any other similar entity that engages in the rental
8 of motor vehicles to the public.

9 (625 ILCS 5/1-171.01e new)

10 Sec. 1-171.01e. Rental agreement. An agreement for 30 days
11 or less setting forth the terms and conditions governing the
12 use of a motor vehicle provided by a motor vehicle rental
13 company.

14 (625 ILCS 5/6-305.3)

15 Sec. 6-305.3. Vehicle license cost recovery fee.

16 (a) As used in this Section:

17 "Motor vehicle rental company" has the meaning ascribed to
18 it in Section 1-146.7 of this Code ~~means a person or entity~~
19 ~~whose primary business is renting motor vehicles to the public~~
20 ~~for 30 days or less.~~

21 "Inspect" or "inspection" means a vehicle emissions
22 inspection under Chapter 13C of this Code.

23 "Rental agreement" has the meaning ascribed to it in
24 Section 1-171.01e of this Code ~~means an agreement for 30 days~~

1 ~~or less setting forth the terms and conditions governing the~~
2 ~~use of a motor vehicle provided by a rental company.~~

3 "Motor vehicle" means motor vehicles of the first division
4 and motor vehicles of the second division weighing not more
5 than 8,000 pounds.

6 "Vehicle license cost recovery fee" or "VLCRF" means a
7 charge that may be separately stated and charged on a rental
8 agreement in a vehicle rental transaction originating in
9 Illinois to recover costs incurred either directly or
10 indirectly by a motor vehicle rental company to license, title,
11 register, and inspect motor vehicles.

12 (b) Motor vehicle rental companies may include a separately
13 stated mandatory surcharge or fee in a rental agreement for
14 vehicle license cost recovery fees (VLCRF) and all applicable
15 taxes.

16 (c) If a motor vehicle rental company includes a VLCRF as
17 separately stated charge in a rental agreement, the amount of
18 the fee must represent the motor vehicle rental company's
19 good-faith estimate of the automobile rental company's daily
20 charge as calculated by the motor vehicle rental company to
21 recover its actual total annual motor vehicle titling,
22 registration, and inspection costs.

23 (d) If the total amount of the VLCRF collected by a motor
24 vehicle rental company under this Section in any calendar year
25 exceeds the motor vehicle rental company's actual costs to
26 license, title, register, and inspect for that calendar year,

1 the motor vehicle rental company shall do both of the
2 following:

3 (1) Retain the excess amount; and

4 (2) Adjust the estimated average per vehicle titling,
5 licensing, inspection, and registration charge for the
6 following calendar year by a corresponding amount.

7 (e) Nothing in subsection (d) of this Section shall prevent
8 a motor vehicle rental company from making adjustments to the
9 VLCRF during the calendar year.

10 (Source: P.A. 96-37, eff. 7-13-09; 97-595, eff. 8-26-11.)

11 (625 ILCS 5/9-101) (from Ch. 95 1/2, par. 9-101)

12 Sec. 9-101. Owner of for-rent motor vehicle to give proof
13 of financial responsibility. For purposes of this Chapter, "for
14 rent" means any transfer of the possession of or right to
15 possession of a motor vehicle to a user for a valuable
16 consideration for a period of less than one year, and "to
17 lease" means any transfer of the possession of or right to
18 possession of a motor vehicle to a user for a period of one
19 year or more. It is unlawful for the owner of any motor vehicle
20 to engage in the business, or to hold himself out to the public
21 generally as being engaged in the business of renting out such
22 motor vehicle to be operated by the customer, unless the owner
23 has given, and there is in full force and effect and on file
24 with the Secretary of State proof of financial responsibility
25 as hereinafter provided. For the purposes of this Section, the

1 facilitation of a privately-owned passenger motor vehicle for
2 use by a person other than the vehicle's registered owner as a
3 part of a car facilitation transaction shall constitute
4 engaging in the business of renting out motor vehicles in this
5 State. For the purposes of providing proof of financial
6 responsibility under this Section, a car facilitation company
7 shall be considered the owner of the vehicle and financially
8 responsible for that vehicle at any time the vehicle is used in
9 a car facilitation transaction facilitated by that company and
10 under the operation and control of a person other than the
11 vehicle's registered owner. The delivery of a vehicle owned by
12 an out of State person or business to a renter in this State
13 shall constitute engaging in the rental business in this State
14 for purposes of this Section.

15 All owners of motor vehicles which are leased for a period
16 of one year or more are not required to provide proof of
17 insurance as required under this chapter, but instead must
18 comply with Section 7-601 of this Code and obtain vehicle
19 insurance in amounts no less than the minimum amount set for
20 bodily injury or death and for destruction of property pursuant
21 to Section 7-203 of this Code.

22 (Source: P.A. 86-880; 87-1220.)

23 Section 25. The Automated Traffic Control Systems in
24 Highway Construction or Maintenance Zones Act is amended by
25 changing Section 45 as follows:

1 (625 ILCS 7/45)

2 Sec. 45. Vehicle rental or leasing company's
3 identification of a renter or lessee.

4 (a) A Uniform Traffic Citation issued under this Act to a
5 motor vehicle rental or leasing company shall be dismissed with
6 respect to the rental or leasing company if:

7 (1) the company responds to the Uniform Traffic
8 Citation by submitting, within 30 days of the mailing of
9 the citation, an affidavit of non-liability stating that,
10 at the time of the alleged speeding or other traffic
11 violation, the vehicle was in the custody and control of a
12 renter or lessee under the terms of a rental agreement or
13 lease; and

14 (2) the company provides the driver's license number,
15 name, and address of the renter or lessee.

16 (a-5) A Uniform Traffic Citation issued under this Act to
17 the registered owner of a vehicle used in a car facilitation
18 transaction, as defined in Section 1-110.06 of the Illinois
19 Vehicle Code, shall be dismissed with respect to the registered
20 owner if:

21 (1) the registered owner responds to the Uniform
22 Traffic Citation by submitting, within 30 days of the
23 mailing of the citation, an affidavit of non-liability
24 stating that, at the time of the alleged speeding or other
25 traffic violation, the vehicle was under the operation and

1 control of a person other than the vehicle's registered
2 owner under a car facilitation transaction facilitated by a
3 car facilitation company; and

4 (2) the registered owner provides proof of the
5 transaction facilitated by the car facilitation company
6 between the registered owner of the vehicle and the driver
7 of the vehicle during the alleged violation.

8 (b) A Uniform Traffic Citation dismissed with respect to a
9 motor vehicle rental or leasing company in accordance with
10 subsection (a) may then be issued and delivered by mail or
11 other means to the renter or lessee identified in the affidavit
12 of non-liability.

13 (Source: P.A. 93-947, eff. 8-19-04.)

14 Section 30. The Renter's Financial Responsibility and
15 Protection Act is amended by changing Section 10 and by adding
16 Section 30 as follows:

17 (625 ILCS 27/10)

18 Sec. 10. Definitions. As used in this Act:

19 "Car facilitation company" means a legal entity qualified
20 to do business in this State engaged in the business of
21 facilitating the use, rental, or sharing of privately-owned
22 passenger motor vehicles for noncommercial use by individuals
23 within this State. "Car facilitation company" does not include
24 the registered owner of the vehicle facilitated by a car

1 facilitation company for the purpose of car facilitation.

2 "Car facilitation transaction" means the use of a
3 privately-owned passenger motor vehicle by a person other than
4 the vehicle's registered owner as facilitated by a car
5 facilitation company.

6 "Rental Company" means a person or entity that rents
7 private passenger vehicles to the public for 30 days or less.

8 "Rental company" includes a car facilitation company.

9 "Renter" means a person or entity that obtains the use of a
10 private passenger vehicle from a rental company under terms of
11 a rental agreement.

12 "Rental Agreement" means an agreement for 30 days or less
13 setting forth the terms and conditions governing the use of a
14 private passenger vehicle provided by a rental company.

15 "Authorized Driver" means: the renter; the renter's spouse
16 if the spouse is a licensed driver and satisfies the rental
17 company's minimum age requirement; the renter's employer,
18 employee, or co-worker if that person is a licensed driver,
19 satisfies the rental company's minimum age requirement, and at
20 the time of the rental is engaged in a business activity with
21 the renter; any person who is expressly listed by the rental
22 company on the rental agreement as an authorized driver; and
23 any person driving directly to a medical or police facility
24 under circumstances reasonably believed to constitute an
25 emergency and who is a licensed driver.

26 "Damage Waiver" means a rental company's agreement not to

1 hold an authorized driver liable for all or a part of any
2 damage to or loss of a rented vehicle for which the renter may
3 be liable pursuant to Section 6-305.2. "Damage Waiver" shall
4 encompass within its meaning other similar terms used by rental
5 companies, such as "Collision Damage Waiver", "Loss Damage
6 Waiver", "Physical Damage Waiver", and the like.

7 (Source: P.A. 90-113, eff. 7-14-97.)

8 (625 ILCS 27/30 new)

9 Sec. 30. Car facilitation company obligations and
10 liability.

11 (a) Notwithstanding any provision to the contrary, a rental
12 company that is a car facilitation company shall, when
13 applicable, be subject to the statutory and regulatory
14 obligations pertaining to all motor vehicle rental companies.

15 (b) If any loss or injury occurs at any time a vehicle is
16 under the operation and control of a person other than the
17 vehicle's registered owner under a car facilitation
18 transaction facilitated by a car facilitation company, the
19 company shall assume all liability of the registered owner of
20 the vehicle used in the car facilitation transaction and shall
21 be considered the vehicle's owner for all purposes.

22 (c) A car facilitation company continues to be liable under
23 subsection (b) of this Section until the vehicle is returned to
24 a location designated by the company, and one of the following
25 occur:

1 (1) the expiration of the car facilitation period
2 established for the vehicle occurs;

3 (2) the intent to terminate the vehicle's car
4 facilitation transaction is verifiably communicated to the
5 company; or

6 (3) the vehicle's registered owner takes possession
7 and control of the vehicle.

8 If any loss giving rise to a claim occurs, the car
9 facilitation company shall initially assume liability for a
10 claim in which a dispute exists as to who was in control of the
11 vehicle and seek indemnification if it is later determined that
12 the registered owner was in possession of the vehicle.

13 (d) At no time shall the registered owner of the vehicle or
14 the owner's insurer be held liable for any loss, injury,
15 damage, or violation involving his or her vehicle occurring
16 during a car facilitation transaction unless it is shown that
17 the registered owner was operating or in control of the vehicle
18 at the time of the loss, injury, damage, or violation.

19 (e) Notwithstanding any provision to the contrary, for the
20 purpose of the issuance of a civil penalty for a violation of
21 Section 11-208.6, 11-208.8, 11-208.9, or 11-1201.1 of the
22 Illinois Vehicle Code, the violation shall be dismissed with
23 respect to the registered owner of the vehicle, and the car
24 facilitation company shall be considered the vehicle's owner
25 for purposes of violation, if:

26 (1) the registered owner responds to the citation by

1 submitting, within 30 days of the mailing of the citation,
2 an affidavit of non-liability stating that, at the time of
3 the alleged violation, the vehicle was under the operation
4 and control of a person other than the vehicle's registered
5 owner under a car facilitation transaction facilitated by a
6 car facilitation company; and

7 (2) the registered owner provides proof of the
8 transaction facilitated by the car facilitation company
9 with the driver of his or her vehicle during the alleged
10 violation.

11 (f) Nothing in this Section shall limit the liability of
12 the car facilitation company for any acts or omissions by the
13 company that result in injury to any persons as a result of the
14 use or operation of a vehicle during a car facilitation
15 transaction.

16 (g) For the purpose of the allocation of liability for a
17 private passenger vehicle used in relation to a motor vehicle
18 rental company that is a car facilitation company, as defined
19 in Section 1-110.05 of the Illinois Vehicle Code, the car
20 facilitation company shall assume liability if any damaged to
21 the vehicle occurs:

22 (1) at any time when the vehicle is not in possession
23 of the vehicle's registered owner and at the car
24 facilitation company's designated location or other
25 location designated for the car facilitation transaction
26 while being made available to rent;

1 (2) under the operation and control of a person other
2 than the vehicle's registered owner under a car
3 facilitation transaction facilitated by that company; or

4 (3) at the car facilitation company's designated area
5 or other location designated for the car facilitation
6 transaction not being made available to rent, but not yet
7 in the possession of the vehicle's registered owner.

8 Nothing in this subsection (g) prevents a car facilitation
9 company from holding a renter in a car facilitation transaction
10 liable to the extent permitted under this Section.

11 A car facilitation company continues to be liable under
12 this subsection (g) until the end of the car facilitation
13 transaction as described in subsection (c) of this Section or
14 as described in this subsection (g). At no time shall the
15 registered owner of the vehicle or the owner's insurer be
16 liable for any exposure, including negligent entrustment, of
17 the vehicle involved in a car facilitation transaction.

18 (h) Notwithstanding any other law and unless otherwise
19 excluded, an insurer may exclude any and all coverage and the
20 duty to defend or indemnify for any claim made under a car
21 facilitation transaction.

22 (i) An insurer that defends or indemnifies a claim against
23 its insured that is determined to be excluded under the terms
24 of its policy shall have the right to seek contribution against
25 the insurer of the car facilitation company, if the claim is:

26 (1) made against the registered owner of the vehicle or

1 renter in the car facilitation transaction for loss or
2 injury that occurs during the car facilitation
3 transaction; and

4 (2) excluded under the terms of the insurer's policy.

5 (j) Nothing in this Section invalidates or limits an
6 exclusion contained in an insurers policy for any coverage
7 included in the policy.

8 (k) An insurer may deny issuance of, cancel, void,
9 terminate, rescind, or deny renewal of an insurance policy
10 covering a motor vehicle that has been made available for a car
11 facilitation transaction if the applicant or policyholder of
12 the insurance policy fails to provide complete and accurate
13 information about the use of a motor vehicle through a car
14 facilitation transaction as requested by the insurer during the
15 application or renewal process of the insurance policy.

16 (l) Nothing in this Section requires any insurance policy
17 to:

18 (1) provide primary or excess coverage during the car
19 facilitation transaction;

20 (2) imply that any insurance policy provides coverage
21 for a motor vehicle during the car facilitation
22 transaction; or

23 (3) preclude an insurer from providing coverage for a
24 vehicle while the vehicle is made available or used through
25 a car facilitation transaction if the insurer elects to do
26 so by contract or endorsement.

1 (m) The car facilitation company shall collect and verify
2 records pertaining to the use of a vehicle, including, but not
3 limited to, times used, fees paid by the rentor, and revenues
4 received by the vehicle owner, and provide that information
5 upon request to the registered owner of the vehicle, the
6 owner's insurer, or and the insurer of a person operating the
7 vehicle during the car facilitation transaction when a claim
8 has been made against an insured involving a dispute as to
9 whether the insurer's policy of the registered owner of the
10 vehicle or the person operating the vehicle and shall retain
11 the records for a reasonable period after the expiration of the
12 applicable personal injury statute of limitations.

13 (n) The car facilitation company shall have sole
14 responsibility for any equipment, such as a GPS system or other
15 special equipment, that is put in or on the vehicle to monitor
16 or facilitate the transaction, and shall agree to indemnify and
17 hold harmless the vehicle owner for any damage to or theft of
18 such equipment.

19 (o) The car facilitation company shall:

20 (1) verify that the registered vehicle does not have
21 any safety recalls on the vehicle for which the repairs
22 have not been made; and

23 (2) notify the owner of the registered vehicle of the
24 requirements under subsection (p) of this Section.

25 (p) If the registered owner of the vehicle has received an
26 actual notice of a safety recall on the motor vehicle, the

1 registered owner of the vehicle may not make the motor vehicle
2 available through the car facilitation company until the safety
3 recall repair has been made.

4 If a registered owner of a vehicle receives an actual
5 notice of a safety recall on a registered vehicle while the
6 registered vehicle is made available or in use through the car
7 facilitation company, the registered owner of the vehicle shall
8 remove the shared motor vehicle from participation as soon as
9 practicably possible, but no later than 72 hours after
10 receiving the notice of the safety recall and shall not allow
11 the vehicle to be used in a car facilitation transaction until
12 the safety recall repair has been made."