### **101ST GENERAL ASSEMBLY**

# State of Illinois

## 2019 and 2020

### SB2104

Introduced 2/15/2019, by Sen. Thomas Cullerton

### SYNOPSIS AS INTRODUCED:

215 ILCS 5	5/155.29	from	Ch.	73,	par.	767.2	29
815 ILCS 3	308/15						
815 ILCS 5	505/2м	from	Ch.	121	1/2,	par.	262M
815 ILCS 5	505/2Z	from	Ch.	121	1/2,	par.	262Z

Amends the Illinois Insurance Code. Provides that no vehicle repair facility or installer may use repair specifications or procedures that are not in compliance with the original equipment manufacturer for those parts. Amends the Automotive Collision Repair Act. Provides that no vehicle repair estimate may include the use of non-original equipment manufacturer aftermarket crash parts unless authorized by the customer in writing. Provides specifications of what estimates should include. Amends the Consumer Fraud and Deceptive Business Practices Act. Provides that no person engaged in the business of performing services on merchandise shall advertise such services as factory authorized services unless, among other requirements, such services are repairs performed pursuant to original equipment manufacturer specifications subject to the Illinois Automotive Collision Repair Act. Provides that a violation of a Section in the Insurance Code concerning the regulation of the use of aftermarket crash parts constitutes an unlawful practice under the Act.

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AN ACT concerning regulation.

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

4 Section 5. The Illinois Insurance Code is amended by 5 changing Section 155.29 as follows:

(215 ILCS 5/155.29) (from Ch. 73, par. 767.29) 6

7 Sec. 155.29. (a) Purpose. The purpose of this Section is to 8 regulate the use of aftermarket crash parts by requiring 9 disclosure when any use of an aftermarket non-original equipment manufacturer's crash part is proposed and by 10 requiring that the manufacturers of such aftermarket crash 11 12 parts be identified.

(b) Definitions. As used in this Section the following 13 14 terms have the following meanings:

"Aftermarket crash part" means a replacement for any of the 15 16 nonmechanical sheet metal or plastic parts that generally 17 constitute the exterior of a motor vehicle, including inner and 18 outer panels.

19 "Non-original equipment manufacturer (Non-OEM) aftermarket 20 crash part" means an aftermarket crash part not made for or by 21 the manufacturer of the motor vehicle.

22 "Repair facility" means any motor vehicle dealer, garage, body shop, or other commercial entity that undertakes the 23

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repair or replacement of those parts that generally constitute
 the exterior of a motor vehicle.

3 "Installer" means an individual who actually does the work4 of replacing or repairing parts of a motor vehicle.

5 (c) Identification. Any aftermarket crash part supplied by 6 a non-original equipment manufacturer for use in this State 7 after the effective date of this Act shall have affixed thereto 8 or inscribed thereon the logo or name of its manufacturer. The 9 manufacturer's logo or name shall be visible after installation 10 whenever practicable.

11 (d) Disclosure. No insurer shall specify the use of non-OEM 12 aftermarket crash parts in the repair of an insured's motor vehicle, nor shall any repair facility or installer use non-OEM 13 14 aftermarket crash parts to repair a vehicle unless the customer 15 is advised of that fact in writing. In all instances where an 16 insurer intends that non-OEM aftermarket crash parts be used in 17 the repair of a motor vehicle, the insurer shall provide the customer with the following information: 18

19 (1) a written estimate that clearly identifies each20 non-OEM aftermarket crash part; and

(2) a disclosure settlement incorporated into or attached to the estimate that reads as follows: "This estimate has been prepared based on the use of crash parts supplied by a source other than the manufacturer of your motor vehicle. Warranties applicable to these replacement parts are provided by the manufacturer or distributor of

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	these parts rather than the	e manufacturer of your vehicle."
	(e) Procedures. No repair	r facility or installer may use
5	repair specifications or proce	edures that are not in compliance
	with the original equipment man	nufacturer for those parts.

5 (Source: P.A. 86-1234; 86-1475.)

- Section 10. The Automotive Collision Repair Act is amended
  by changing Section 15 as follows:
- 8 (815 ILCS 308/15)

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9 Sec. 15. Disclosure to consumers; estimates.

10 (a) No work for compensation that exceeds \$100 shall be 11 commenced without specific authorization from the consumer 12 after the disclosure set forth in this Section.

13 (b) Every motor vehicle collision repair facility shall 14 either (i) give to each consumer a written estimated price for 15 labor and parts for a specific repair and shall not charge for work done or parts supplied in an amount that exceeds the 16 estimate by more than 10% without oral or written consent from 17 the consumer; or (ii) give to each consumer a written price 18 19 limit for each specific repair and shall not exceed that limit 20 without oral or written consent of the consumer. The estimate 21 shall include the total costs to repair the motor vehicle.

Estimates shall include all charges to be paid by the consumer to complete the repair, including any charges for estimates, diagnostics, storage, and administrative fees. - 4 - LRB101 09864 RAB 54966 b

1 (c) Motor vehicle collision repair facilities shall 2 describe in the estimate the major parts needed to effectuate 3 the repair and shall designate the parts as either new parts, 4 used parts, rebuilt or reconditioned parts, or aftermarket 5 parts as set forth in Section 10 of this Act.

6 (d) Estimates shall indicate that the collision repair 7 facility may use a combination of industry standard flat rate 8 (time) manuals, actual time, or condition of the motor vehicle 9 to determine labor costs. This disclosure mandate may also be 10 fulfilled by means of a sign that provides the same information 11 to the consumer. The sign shall be posted at a location that 12 can be easily viewed by the consumer.

(e) If it is necessary to disassemble or partially disassemble a motor vehicle or motor vehicle component in order to provide the consumer a written estimate for required repairs, the estimate shall show the cost of any disassembly if the consumer elects not to proceed with the repair of the motor vehicle.

19 (f) The estimate shall include the date the estimate was 20 prepared or the date the motor vehicle was presented to the 21 collision repair facility for repair and the odometer reading 22 on the motor vehicle at the time the motor vehicle was left 23 with the collision repair facility.

24 (g) No estimate may include the use of a non-original
 25 equipment manufacturer aftermarket crash parts unless
 26 authorized by the customer in writing.

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1 <u>(h) The estimate shall include the use of repair</u> 2 <u>specifications by the original equipment manufacturer for</u> 3 <u>those parts, and no repair facility or installer may use repair</u> 4 <u>specifications or procedures that are not in compliance with</u> 5 <u>the original equipment manufacturer for those parts.</u>

6 (Source: P.A. 93-565, eff. 1-1-04.)

Section 15. The Consumer Fraud and Deceptive Business
Practices Act is amended by changing Sections 2M and 2Z as
follows:

10 (815 ILCS 505/2M) (from Ch. 121 1/2, par. 262M)
11 Sec. 2M.

No person engaged in the business of performing services on 12 13 merchandise shall advertise such services as factorv 14 authorized services unless such services are performed by 15 factory authorized personnel, or in the case of repairs subject to the Illinois Automotive Collision Repair Act, performed 16 pursuant to original equipment manufacturer specifications. 17 Any person so advertising shall, upon request, supply proof of 18 such authorization through manufacturer certification. Any 19 20 person who violates this Section commits an unlawful practice 21 within the meaning of this Act, and in addition to relief available under Section 7 of this Act, may be prosecuted for 22 23 the commission of a Class C misdemeanor.

24 (Source: P.A. 78-589.)

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#### (815 ILCS 505/2Z) (from Ch. 121 1/2, par. 262Z)

2 Sec. 2Z. Violations of other Acts. Any person who knowingly 3 violates the Automotive Repair Act, the Automotive Collision Repair Act, Section 155.29 of the Illinois Insurance Code, the 4 5 Home Repair and Remodeling Act, the Dance Studio Act, the 6 Physical Fitness Services Act, the Hearing Instrument Consumer 7 Protection Act, the Illinois Union Label Act, the Installment 8 Sales Contract Act, the Job Referral and Job Listing Services 9 Consumer Protection Act, the Travel Promotion Consumer 10 Protection Act, the Credit Services Organizations Act, the 11 Automatic Telephone Dialers Act, the Pay-Per-Call Services 12 Consumer Protection Act, the Telephone Solicitations Act, the 13 Illinois Funeral or Burial Funds Act, the Cemetery Oversight 14 Act, the Cemetery Care Act, the Safe and Hygienic Bed Act, the 15 Illinois Pre-Need Cemetery Sales Act, the High Risk Home Loan 16 Act, the Payday Loan Reform Act, the Mortgage Rescue Fraud Act, subsection (a) or (b) of Section 3-10 of the Cigarette Tax Act, 17 subsection (a) or (b) of Section 3-10 of the Cigarette Use Tax 18 the 19 Act, Electronic Mail Act, the Internet Caller 20 Identification Act, paragraph (6) of subsection (k) of Section 21 6-305 of the Illinois Vehicle Code, Section 11-1431, 18d-115, 22 18d-120, 18d-125, 18d-135, 18d-150, or 18d-153 of the Illinois 23 Vehicle Code, Article 3 of the Residential Real Property 24 Disclosure Act, the Automatic Contract Renewal Act, the Reverse 25 Mortgage Act, Section 25 of the Youth Mental Health Protection

- Act, the Personal Information Protection Act, or the Student
   Online Personal Protection Act commits an unlawful practice
   within the meaning of this Act.
- 4 (Source: P.A. 99-331, eff. 1-1-16; 99-411, eff. 1-1-16; 99-642,
  5 eff. 7-28-16; 100-315, eff. 8-24-17; 100-416, eff. 1-1-18;
- 6 100-863, eff. 8-14-18.)