

1 AN ACT in regard to vehicles.

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 5-103 as follows:

6 (625 ILCS 5/5-103) (from Ch. 95 1/2, par. 5-103)

7 Sec. 5-103. (a) Every new vehicle manufacturer shall
8 specify the delivery and preparation obligations of its
9 vehicle dealers prior to delivery of new vehicles to retail
10 buyers. A copy of the delivery and preparation obligations of
11 its dealers shall be filed with the Secretary of State by
12 every vehicle manufacturer and shall constitute the vehicle
13 dealer's only responsibility for product liability as between
14 the dealer and the manufacturer. A manufacturer's product or
15 warranty liability to the dealer shall extend to any
16 mechanical, body or parts defect constituting a breach of any
17 express or implied warranty of the manufacturer. The
18 manufacturer shall reasonably compensate any authorized
19 dealer who rectifies a defect which constitutes a breach of
20 any express or implied warranty of the manufacturer and for
21 preparation and delivery obligations. Every dealer shall
22 perform the preparation and get ready services specified by
23 the manufacturer to be performed prior to the delivery of the
24 new vehicle to the buyer.

25 (b) The owner of the vehicle may cause the vehicle to be
26 inspected according to this Section and have the original
27 manufacturer's warranty reinstated if the vehicle is a theft
28 recovery that has been salvaged and is recovered without
29 structural damage or missing essential parts, excluding
30 wheels, damage to the steering column, and radios provided
31 the owner:

1 (1) Submits the vehicle to a franchised dealer for
2 a complete inspection, including fluids, frame, essential
3 parts, and other items deemed by the manufacturer as
4 essential for verification of the condition of the
5 vehicle at the time of recovery.

6 (2) Submits a copy of the police recovery report to
7 the inspecting dealer.

8 (3) Paid the inspection fee charged by the
9 franchised dealer.

10 The manufacturer shall reinstate the original
11 manufacturer's warranty if a vehicle is certified by a
12 franchised dealer as having complied with the provisions of
13 this Section. The manufacturer shall, in addition to
14 reinstating the warranty, provide the owner with a written
15 statement indicating that the original manufacturer's
16 warranty has been reinstated.

17 (c) Any licensed vehicle dealer that offers, provides or
18 sells in-house and or self-insured extended warranties or
19 service contracts, other than those of the vehicle
20 manufacturer, shall register with the Illinois Department of
21 Insurance in accordance with the Service Contract Act
22 ~~retain--adequate--reserves-or-insurance-for-the-protection-of~~
23 ~~the--purchasing--consumer.---The--Secretary--of--State--shall~~
24 ~~provide-by-rule-and-regulation-for-the-implementation-of-this~~
25 requirement.

26 Nothing in this Section shall affect a cause of action a
27 buyer may have against a dealer or manufacturer under present
28 applicable statutory or case law.

29 (Source: P.A. 89-189, eff. 1-1-96.)

30 Section 99. Effective date. This Act takes effect upon
31 becoming law.