- 1 AMENDMENT TO HOUSE BILL 1041
- 2 AMENDMENT NO. \_\_\_\_. Amend House Bill 1041 as follows:
- on page 1, by replacing lines 5 and 6 with the following:
- 4 "changing Sections 2-118.1, 5-103, 6-117, 6-118, 6-204,
- 5 6-206, 6-208, and 7-604 as follows:"; and
- on page 3, below line 10, by inserting the following:
- 7 "(625 ILCS 5/5-103) (from Ch. 95 1/2, par. 5-103)
- 8 Sec. 5-103. (a) Every new vehicle manufacturer shall
- 9 specify the delivery and preparation obligations of its
- vehicle dealers prior to delivery of new vehicles to retail
- 11 buyers. A copy of the delivery and preparation obligations of
- 12 its dealers shall be filed with the Secretary of State by
- 13 every vehicle manufacturer and shall constitute the vehicle
- 14 dealer's only responsibility for product liability as between
- 15 the dealer and the manufacturer. A manufacturer's product or
- 16 warranty liability to the dealer shall extend to any
- 17 mechanical, body or parts defect constituting a breach of any
- 18 express or implied warranty of the manufacturer. The
- 19 manufacturer shall reasonably compensate any authorized
- 20 dealer who rectifies a defect which constitutes a breach of
- 21 any express or implied warranty of the manufacturer and for
- 22 preparation and delivery obligations. Every dealer shall

- 1 perform the preparation and get ready services specified by 2 the manufacturer to be performed prior to the delivery of the
- new vehicle to the buyer. 3
- 4 The owner of the vehicle may cause the vehicle to be
- 5 inspected according to this Section and have the original
- manufacturer's warranty reinstated if the vehicle is a theft 6
- 7 recovery that has been salvaged and is recovered without
- 8 structural damage or missing essential parts, excluding
- 9 wheels, damage to the steering column, and radios provided
- the owner: 10
- 11 (1) Submits the vehicle to a franchised dealer for
- 12 a complete inspection, including fluids, frame, essential
- 13 parts, and other items deemed by the manufacturer as
- essential for verification of the condition of the 14
- 15 vehicle at the time of recovery.
- 16 (2) Submits a copy of the police recovery report to
- 17 the inspecting dealer.
- (3) Paid the inspection fee charged by 18 the
- 19 franchised dealer.

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- manufacturer shall 20 The reinstate the original
- 21 manufacturer's warranty if a vehicle is certified by a
- 22 franchised dealer as having complied with the provisions of
- reinstating the warranty, provide the owner with a written

The manufacturer shall, in addition to

the original manufacturer's

that

statement indicating 26 warranty has been reinstated.

Section.

- Any-licensed-vehicle-dealer-that-offers,-provides-or 27
- sells-in-house-and-or--self-insured--extended--warranties--or 28
- 29 service---contracts,---other---than---those--of--the--vehicle
- 30 manufacturer,-shall retain-adequate-reserves-or-insurance-for
- 31 the-protection-of-the-purchasing-consumer.--The-Secretary--of
- 32 State---shall---provide---by--rule--and--regulation--for--the
- 33 implementation-of-this-requirement.
- 34 Nothing in this Section shall affect a cause of action a

- 1 buyer may have against a dealer or manufacturer under present
- 2 applicable statutory or case law.
- 3 (Source: P.A. 89-189, eff. 1-1-96.)"; and
- 4 on page 25, below line 29, by inserting the following:
- 5 "(625 ILCS 5/7-604) (from Ch. 95 1/2, par. 7-604)
- 6 Sec. 7-604. Verification of liability insurance policy.
- 7 (a) The Secretary of State may select random samples of

registrations of motor vehicles subject to Section 7-601 of

- 9 this Code, or owners thereof, for the purpose of verifying
- 10 whether or not the motor vehicles are insured.
- In addition to such general random samples of motor
- 12 vehicle registrations, the Secretary may select for
- verification other random samples, including, but not limited
- 14 to registrations of motor vehicles owned by persons:
- 15 (1) whose motor vehicle registrations during the
- 16 preceding 4 years have been suspended pursuant to Section
- 17 7-606 or 7-607 of this Code;
- 18 (2) who during the preceding 4 years have been
- convicted of violating Section 3-707, 3-708 or 3-710 of
- 20 this Code while operating vehicles owned by other
- 21 persons;

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- 22 (3) whose driving privileges have been suspended
- during the preceding 4 years;
- 24 (4) who during the preceding 4 years acquired
- ownership of motor vehicles while the registrations of
- such vehicles under the previous owners were suspended
- pursuant to Section 7-606 or 7-607 of this Code; or
- 28 (5) who during the preceding 4 years have received
- 29 a disposition of supervision under subsection (c) of
- 30 Section 5-6-1 of the Unified Code of Corrections for a
- violation of Section 3-707, 3-708, or 3-710 of this Code.
- 32 (b) Upon receiving certification from the Department of
- 33 Transportation under Section 7-201.2 of this Code of the name

- of an owner or operator of any motor vehicle involved in an
- 2 accident, the Secretary may verify whether or not at the time
- 3 of the accident such motor vehicle was covered by a liability
- 4 insurance policy in accordance with Section 7-601 of this
- 5 Code.
- 6 (c) In preparation for selection of random samples and
- 7 their verification, the Secretary may send to owners of
- 8 randomly selected motor vehicles, or to randomly selected
- 9 motor vehicle owners, requests for information about their
- 10 motor vehicles and liability insurance coverage. The request
- 11 shall require the owner to state whether or not the motor
- 12 vehicle was insured on the verification date stated in the
- 13 Secretary's request and the request may require, but is not
- 14 limited to, a statement by the owner of the names and
- 15 addresses of insurers, policy numbers, and expiration dates
- of insurance coverage.
- 17 (d) Within 30 days after the Secretary mails a request,
- 18 the owner to whom it is sent shall furnish the requested
- 19 information to the Secretary above the owner's signed
- 20 affirmation that such information is true and correct. Proof
- 21 of insurance in effect on the verification date, as
- 22 prescribed by the Secretary, may be considered by the
- 23 Secretary to be a satisfactory response to the request for
- 24 information.
- 25 Any owner whose response indicates that his or her
- 26 vehicle was not covered by a liability insurance policy in
- 27 accordance with Section 7-601 of this Code shall be deemed to
- 28 have registered or maintained registration of a motor vehicle
- 29 in violation of that Section. Any owner who fails to respond
- 30 to such a request shall be deemed to have registered or
- 31 maintained registration of a motor vehicle in violation of
- 32 Section 7-601 of this Code.
- 33 (e) If the owner responds to the request for information
- 34 by asserting that his or her vehicle was covered by a

- 1 liability insurance policy on the verification date stated in
- 2 the Secretary's request, the Secretary may conduct a
- 3 verification of the response by furnishing necessary
- 4 information to the insurer named in the response. The
- 5 insurer shall within 45 30 days inform the Secretary whether
- or not on the verification date stated the motor vehicle was
- 7 insured by the insurer in accordance with Section 7-601 of
- 8 this Code. The Secretary may by rule and regulation prescribe
- 9 the procedures for verification.
- 10 (f) No random sample selected under this Section shall
- 11 be categorized on the basis of race, color, religion, sex,
- 12 national origin, ancestry, age, marital status, physical or
- mental disability, economic status or geography.
- 14 (Source: P.A. 88-315; 88-685, eff. 1-24-95.)".