

AN ACT concerning motor vehicles.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Section 5. The Consumer Fraud and Deceptive Business Practices Act is amended by adding Section 2ZZ as follows:

(815 ILCS 505/2ZZ new)

Sec. 2ZZ. Payoff of liens on motor vehicles traded in to dealer.

(a) When a motor vehicle dealer, as defined by Sections 5-101 or 5-102 of the Illinois Vehicle Code, enters into a retail transaction where a consumer trades in or sells a vehicle that is subject to a lien, the dealer shall:

(1) within 21 calendar days of the date of sale remit payment to the lien holder to pay off the lien on the traded-in or sold motor vehicle, unless the underlying contract has been rescinded before expiration of 21 calendar days; and

(2) fully comply with Section 2C of this Act.

(b) A motor vehicle dealer who violates this Section commits an unlawful practice within the meaning of this Act.

(c) For the purposes of this Section, the term "date of sale" shall be the date the parties entered into the transaction as evidenced by the date written in the contract

executed by the parties, or the date the motor vehicle dealership took possession of the traded-in or sold vehicle. In the event the date of the contract differs from the date the motor vehicle dealership took possession of the traded-in vehicle, the "date of sale" shall be the date the motor vehicle dealership took possession of the traded-in vehicle.