

1 AN ACT concerning transportation.

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 changing  
5 Section 6-305.2 as follows:

6 (625 ILCS 5/6-305.2)

7 Sec. 6-305.2. Limited liability for damage.

8 (a) Damage to private passenger vehicle. A person who rents  
9 a motor vehicle to another may hold the renter liable to the  
10 extent permitted under subsections (b) through (d) for physical  
11 or mechanical damage to the rented motor vehicle that occurs  
12 during the time the motor vehicle is under the rental  
13 agreement.

14 (b) Limits on liability: vehicle MSRP \$50,000 or less. The  
15 total liability of a renter under subsection (a) for damage to  
16 a motor vehicle with a Manufacturer's Suggested Retail Price  
17 (MSRP) of \$50,000 or less may not exceed all of the following:

18 (1) The lesser of:

19 (A) Actual and reasonable costs that the person who  
20 rents a motor vehicle to another incurred to repair the  
21 motor vehicle or that the rental company would have  
22 incurred if the motor vehicle had been repaired, which  
23 shall reflect any discounts, price reductions, or

1 adjustments available to the rental company; or

2 (B) The fair market value of that motor vehicle  
3 immediately before the damage occurred, as determined  
4 in the customary market for the retail sale of that  
5 motor vehicle; and

6 (2) Actual and reasonable costs incurred by the loss  
7 due to theft of the rental motor vehicle up to \$2,000;  
8 provided, however, that if it is established that the  
9 renter or an authorized driver failed to exercise ordinary  
10 care while in possession of the vehicle or that the renter  
11 or an authorized driver committed or aided and abetted the  
12 commission of the theft, then the damages shall be the  
13 actual and reasonable costs of the rental vehicle up to its  
14 fair market value, as determined by the customary market  
15 for the sale of that vehicle.

16 For purposes of this subsection (b), for the period prior  
17 to June 1, 1998, the maximum amount that may be recovered from  
18 an authorized driver shall not exceed \$6,000; for the period  
19 beginning June 1, 1998 through May 31, 1999, the maximum  
20 recovery shall not exceed \$7,500; and for the period beginning  
21 June 1, 1999 through May 31, 2000, the maximum recovery shall  
22 not exceed \$9,000. Beginning June 1, 2000, and annually each  
23 June 1 thereafter, the maximum amount that may be recovered  
24 from an authorized driver shall be increased by \$500 above the  
25 maximum recovery allowed immediately prior to June 1 of that  
26 year.

1       (b-5) Limits on liability: vehicle MSRP more than \$50,000.  
2       The total liability of a renter under subsection (a) for damage  
3       to a motor vehicle with a Manufacturer's Suggested Retail Price  
4       (MSRP) of more than \$50,000 may not exceed all of the  
5       following:

6               (1) the lesser of:

7                       (A) actual and reasonable costs that the person who  
8                       rents a motor vehicle to another incurred to repair the  
9                       motor vehicle or that the rental company would have  
10                      incurred if the motor vehicle had been repaired, which  
11                      shall reflect any discounts, price reductions, or  
12                      adjustments available to the rental company; or

13                      (B) the fair market value of that motor vehicle  
14                      immediately before the damage occurred, as determined  
15                      in the customary market for the retail sale of that  
16                      motor vehicle; and

17               (2) the actual and reasonable costs incurred by the  
18               loss due to theft of the rental motor vehicle up to  
19               \$40,000.

20       The maximum recovery for a motor vehicle with a  
21       Manufacturer's Suggested Retail Price (MSRP) of more than  
22       \$50,000 under this subsection (b-5) shall not exceed \$40,000 on  
23       the effective date of this amendatory Act of the 99th General  
24       Assembly. On October 1, 2016, and for the next 3 years  
25       thereafter, the maximum amount that may be recovered from an  
26       authorized driver under this subsection (b-5) shall be

1 increased by \$2,500 above the prior year's maximum recovery. On  
2 October 1, 2020, and for each year thereafter, the maximum  
3 amount that may be recovered from an authorized driver under  
4 this subsection (b-5) shall be increased by \$1,000 above the  
5 prior year's maximum recovery.

6 (c) Multiple recoveries prohibited. Any person who rents a  
7 motor vehicle to another may not hold the renter liable for any  
8 amounts that the rental company recovers from any other party.

9 (d) Repair estimates. A person who rents a motor vehicle to  
10 another may not collect or attempt to collect the amount  
11 described in subsection (b) or (b-5) unless the rental company  
12 obtains an estimate from a repair company or an appraiser in  
13 the business of providing such appraisals on the costs of  
14 repairing the motor vehicle, makes a copy of the estimate  
15 available upon request to the renter who may be liable under  
16 subsection (a), or the insurer of the renter, and submits a  
17 copy of the estimate with any claim to collect the amount  
18 described in subsection (b) or (b-5). In order to collect the  
19 amount described in subsection (b-5), a person renting a motor  
20 vehicle to another must also provide the renter's personal  
21 insurance company with reasonable notice and an opportunity to  
22 inspect damages.

23 (d-5) In the event of loss due to theft of the rental motor  
24 vehicle with a MSRP more than \$50,000, the rental company shall  
25 provide reasonable notice of the theft to the renter's personal  
26 insurance company.

1           (e) Duty to mitigate. A claim against a renter resulting  
2 from damage or loss to a rental vehicle must be reasonably and  
3 rationally related to the actual loss incurred. A rental  
4 company shall mitigate damages where possible and shall not  
5 assert or collect any claim for physical damage which exceeds  
6 the actual costs of the repair, including all discounts or  
7 price reductions.

8           (f) No rental company shall require a deposit or an advance  
9 charge against the credit card of a renter, in any form, for  
10 damages to a vehicle which is in the renter's possession,  
11 custody, or control. No rental company shall require any  
12 payment for damage to the rental vehicle, upon the renter's  
13 return of the vehicle in a damaged condition, until after the  
14 cost of the damage to the vehicle and liability therefor is  
15 agreed to between the rental company and renter or is  
16 determined pursuant to law.

17           (g) If insurance coverage exists under the renter's  
18 personal insurance policy and the coverage is confirmed during  
19 regular business hours, the renter may require that the rental  
20 company must submit any claims to the renter's personal  
21 insurance carrier as the renter's agent. The rental company  
22 shall not make any written or oral representations that it will  
23 not present claims or negotiate with the renter's insurance  
24 carrier. For purposes of this Section, confirmation of coverage  
25 includes telephone confirmation from insurance company  
26 representatives during regular business hours. After

1 confirmation of coverage, the amount of claim shall be resolved  
2 between the insurance carrier and the rental company.

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

4 Section 10. The Renter's Financial Responsibility and  
5 Protection Act is amended by changing Section 15 as follows:

6 (625 ILCS 27/15)

7 Sec. 15. Prohibited practices.

8 (a) A rental company may not sell a damage waiver unless  
9 the renter agrees to the damage waiver in writing at or prior  
10 to the time the rental agreement is executed.

11 (b) A rental company may not void a damage waiver except  
12 for one or more of the following reasons:

13 (1) Damage or loss while the rental vehicle is used to  
14 carry persons or property for a charge or fee.

15 (2) Damage or loss during an organized or agreed upon  
16 racing or speed contest or demonstration or pushing or  
17 pulling activity in which the rental vehicle is actively  
18 involved.

19 (3) Damage or loss that could reasonably be expected  
20 from an intentional or criminal act of the driver other  
21 than a traffic infraction.

22 (4) Damage or loss to any rental vehicle resulting from  
23 any auto business operation, including but not limited to  
24 repairing, servicing, testing, washing, parking, storing,

1 or selling of automobiles.

2 (5) Damage or loss occurring to a rental vehicle if the  
3 rental contract is based on fraudulent or material  
4 misrepresentation by the renter.

5 (6) Damage or loss arising out of the use of the rental  
6 vehicle outside the continental United States when such use  
7 is specifically prohibited in the rental agreement.

8 (7) Damage or loss occurring while the rental vehicle  
9 is operated by a driver not permitted under the rental  
10 agreement.

11 (8) Damage or loss occurring while the rental vehicle  
12 is operated by a driver under the influence of alcohol,  
13 other drug or drugs, intoxicating compound or compounds, or  
14 any combination thereof and convicted of violating  
15 subsection (a) of Section 11-501 of the Illinois Vehicle  
16 Code.

17 (c) A rental company shall not charge more than \$12.50 per  
18 full or partial 24 hour rental day for a collision damage  
19 waiver prior to January 1, 2014. Beginning January 1, 2014, a  
20 rental company shall not charge more than \$13.50 per full or  
21 partial 24 hour rental day for a collision damage waiver.

22 (d) A rental company may offer a collision damage waiver on  
23 any rental vehicle having a value in excess of a Manufacturer's  
24 Suggested Retail Price (MSRP) of \$50,000; however, the  
25 provisions of subsection (c) of this Section shall not apply to  
26 collision damage waivers under this subsection (d).

1 (Source: P.A. 98-428, eff. 8-16-13.)

2 Section 99. Effective date. This Act takes effect October  
3 1, 2015.