

1 AN ACT concerning business.

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

4 Section 5. The Motor Vehicle Retail Installment Sales Act
5 is amended by adding Section 9.04 as follows:

6 (815 ILCS 375/9.04 new)

7 Sec. 9.04. Warranty disclosures for third-party motor
8 vehicle warranties.

9 (a) As used in this Section, "third-party motor vehicle
10 warranty" means an additional warranty, extended service
11 contract, or vehicle protection plan provided by an entity
12 that is not the manufacturer of a vehicle.

13 (b) A seller that sells or offers for sale a third-party
14 motor vehicle warranty shall, upon the request of the
15 consumer, provide to the consumer:

16 (1) a copy of the third-party motor vehicle warranty
17 contract; and

18 (2) a written disclosure provided by the third-party
19 motor vehicle warranty provider summarizing all costs that
20 the consumer may be responsible for under the third-party
21 motor vehicle warranty, including, but not limited to:

22 (A) any deductibles, co-pays, or service fees for
23 a covered repair;

1 (B) any maximum coverage limits or caps on
2 reimbursements;

3 (C) any costs or services that are not covered
4 that may result in out-of-pocket expenses; and

5 (D) a statement clarifying that all claim
6 approvals and coverage determinations are made solely
7 by the third-party motor vehicle warranty provider,
8 not the seller.

9 (c) A seller shall be deemed to have satisfied the
10 requirements of subsection (b) if the dealer provides the
11 consumer:

12 (1) a completed Federal Trade Commission Buyers Guide,
13 as required under 16 CFR 455; and

14 (2) upon request of the consumer, a copy of the
15 third-party motor vehicle warranty contract and a written
16 disclosure that satisfies the requirements of paragraph
17 (2) of subsection (b).

18 (d) A seller does not violate this Section if:

19 (1) the third-party motor vehicle warranty provider
20 denies a claim made under the third-party motor vehicle
21 warranty; or

22 (2) the third-party motor vehicle warranty provider
23 makes any errors, omissions, or changes in its description
24 of the coverage terms, costs, or conditions of the
25 third-party motor vehicle warranty.