

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 Automobile Renting Occupation and Use Tax  
5 Act is amended by changing Section 2 as follows:

6 (35 ILCS 155/2) (from Ch. 120, par. 1702)

7 Sec. 2. Definitions. "Renting" means any transfer of the  
8 possession or right to possession of an automobile to a user  
9 for a valuable consideration for a period of one year or less,  
10 including the facilitation of a privately-owned passenger  
11 motor vehicle for use by persons other than the vehicle's  
12 registered owner as an part of a car facilitation transaction,  
13 as defined in Section 1-110.06 of the Illinois Vehicle Code.

14 "Renting" does not include making a charge for the use of  
15 an automobile where the rentor, either himself or through an  
16 agent, furnishes a service of operating an automobile so that  
17 the rentor remains in possession of the automobile, because  
18 this does not constitute a transfer of possession or right to  
19 possession of the automobile.

20 "Renting" does not include the making of a charge by an  
21 automobile dealer for the use of an automobile as a  
22 demonstrator in connection with the dealer's business of  
23 selling, where the charge is merely made to recover the costs

1 of operating the automobile as a demonstrator and is not  
2 intended as a rental or leasing charge in the ordinary sense.

3 "Automobile" means (1) any motor vehicle of the first  
4 division, or (2) a motor vehicle of the second division which:  
5 (A) is a self-contained motor vehicle designed or permanently  
6 converted to provide living quarters for recreational, camping  
7 or travel use, with direct walk through access to the living  
8 quarters from the driver's seat; (B) is of the van  
9 configuration designed for the transportation of not less than  
10 7 nor more than 16 passengers, as defined in Section 1-146 of  
11 the Illinois Vehicle Code; or (C) has a Gross Vehicle Weight  
12 Rating, as defined in Section 1-124.5 of the Illinois Vehicle  
13 Code, of 8,000 pounds or less.

14 "Department" means the Department of Revenue.

15 "Person" means any natural individual, firm, partnership,  
16 association, joint stock company, joint adventure, public or  
17 private corporation, limited liability company, or a receiver,  
18 executor, trustee, conservator or other representative  
19 appointed by order of any court.

20 "Rentor" means any person, firm, corporation or  
21 association engaged in the business of renting or leasing  
22 automobiles to users. For this purpose, the objective of making  
23 a profit is not necessary to make the renting activity a  
24 business.

25 "Rentee" means any user to whom the possession, or the  
26 right to possession, of an automobile is transferred for a

1 valuable consideration for a period of one year or less,  
2 whether paid for by the "rentee" or by someone else.

3 "Gross receipts" from the renting of tangible personal  
4 property or "rent" means the total rental price or leasing  
5 price. In the case of rental transactions in which the  
6 consideration is paid to the rentor on an installment basis,  
7 the amounts of such payments shall be included by the rentor in  
8 gross receipts or rent only as and when payments are received  
9 by the rentor.

10 "Gross receipts" does not include receipts received by an  
11 automobile dealer from a manufacturer or service contract  
12 provider for the use of an automobile by a person while that  
13 person's automobile is being repaired by that automobile dealer  
14 and the repair is made pursuant to a manufacturer's warranty or  
15 a service contract where a manufacturer or service contract  
16 provider reimburses that automobile dealer pursuant to a  
17 manufacturer's warranty or a service contract and the  
18 reimbursement is merely made to recover the costs of operating  
19 the automobile as a loaner vehicle.

20 "Rental price" means the consideration for renting or  
21 leasing an automobile valued in money, whether received in  
22 money or otherwise, including cash credits, property and  
23 services, and shall be determined without any deduction on  
24 account of the cost of the property rented, the cost of  
25 materials used, labor or service cost, or any other expense  
26 whatsoever, but does not include charges that are added by a

1 rentor on account of the rentor's tax liability under this Act  
2 or on account of the rentor's duty to collect, from the rentee,  
3 the tax that is imposed by Section 4 of this Act. The phrase  
4 "rental price" does not include compensation paid to a rentor  
5 by a rentee in consideration of the waiver by the rentor of any  
6 right of action or claim against the rentee for loss or damage  
7 to the automobile rented and also does not include a separately  
8 stated charge for insurance or recovery of refueling costs or  
9 other separately stated charges that are not for the use of  
10 tangible personal property.

11 (Source: P.A. 98-574, eff. 1-1-14.)

12 Section 10. The Counties Code is amended by changing  
13 Section 5-1032 as follows:

14 (55 ILCS 5/5-1032) (from Ch. 34, par. 5-1032)

15 Sec. 5-1032. County Automobile Renting Occupation Tax. The  
16 corporate authorities of a county may impose a tax upon all  
17 persons engaged in the business of renting automobiles in the  
18 county, but outside any municipality, at the rate of not to  
19 exceed 1% of the gross receipts from such business. For the  
20 purposes of imposing a tax under this Section, the facilitation  
21 of a privately-owned passenger motor vehicle for use by a  
22 person other than the vehicle's registered owner as a part of a  
23 car facilitation transaction, as defined in Section 1-110.06 of  
24 the Illinois Vehicle Code, constitutes engaging in the business

1 of renting automobiles in the county. The tax imposed by a  
2 county pursuant to this Section and all civil penalties that  
3 may be assessed as an Incident thereof shall be collected and  
4 enforced by the State Department of Revenue. The certificate of  
5 registration which is issued by the Department to a retailer  
6 under the "Retailers' Occupation Tax Act", approved June 23,  
7 1933, as amended, or under the "Automobile Renting Occupation  
8 and Use Tax Act", enacted by the Eighty-Second General  
9 Assembly, shall permit such person to engage in a business  
10 which is taxable under any ordinance or resolution enacted  
11 pursuant to this Section without registering separately with  
12 the Department under such ordinance or resolution or under this  
13 Section. The Department shall have full power to administer and  
14 enforce this Section; to collect all taxes and penalties due  
15 hereunder; to dispose of taxes and penalties so collected in  
16 the manner hereinafter provided, and to determine all rights to  
17 credit memoranda, arising on account of the erroneous payment  
18 of tax or penalty hereunder. In the administration of, and  
19 compliance with, this Section, the Department and persons who  
20 are subject to this Section shall have the same rights,  
21 remedies, privileges, immunities, powers and duties, and be  
22 subject to the same conditions, restrictions, limitations,  
23 penalties and definitions of terms, and employ the same modes  
24 of procedure, as are prescribed in Sections 2 and 3 (in respect  
25 to all provisions therein other than the State rate of tax; and  
26 with relation to the provisions of the "Retailers' Occupation

1 Tax" referred to therein, except as to the disposition of taxes  
2 and penalties collected, and except for the provision allowing  
3 retailers a deduction from the tax to cover certain costs, and  
4 except that credit memoranda issued hereunder may not be used  
5 to discharge any State tax liability) of the "Automobile  
6 Renting Occupation and Use Tax Act", as the same are now or may  
7 hereafter be amended, as fully as if provisions contained in  
8 those Sections of said Act were set forth herein.

9 Persons subject to any tax imposed pursuant to the  
10 authority granted in this Section may reimburse themselves for  
11 their tax liability hereunder by separately stating such tax as  
12 an additional charge, which charge may be stated in  
13 combination, in a single amount, with State tax which sellers  
14 are required to collect under the "Automobile Renting  
15 Occupation and Use Tax Act" pursuant to such bracket schedules  
16 as the Department may prescribe.

17 Whenever the Department determines that a refund should be  
18 made under this Section to a claimant instead of issuing a  
19 credit memorandum, the Department shall notify the State  
20 Comptroller, who shall cause the order to be drawn for the  
21 amount specified, and to the person named, in such notification  
22 from the Department. Such refund shall be paid by the State  
23 Treasurer out of the county automobile renting tax fund.

24 The Department shall forthwith pay over to the State  
25 Treasurer, ex-officio, as trustee, all taxes and penalties  
26 collected hereunder. On or before the 25th day of each calendar

1 month, the Department shall prepare and certify to the  
2 Comptroller the disbursement of stated sums of money to named  
3 counties from which renters have paid taxes or penalties  
4 hereunder to the Department during the second preceding  
5 calendar month. The amount to be paid to each county shall be  
6 the amount (not including credit memoranda) collected  
7 hereunder during the second preceding calendar month by the  
8 Department, and not including an amount equal to the amount of  
9 refunds made during the second preceding calendar month by the  
10 Department on behalf of such county, less 2% of such balance,  
11 which sum shall be retained by the State Treasurer to cover the  
12 costs incurred by the Department in administering and enforcing  
13 this Section as provided herein. The Department at the time of  
14 each monthly disbursement to the counties shall prepare and  
15 certify to the Comptroller the amount, so retained by the State  
16 Treasurer, to be paid into the General Revenue Fund of the  
17 State Treasury. Within 10 days after receipt, by the  
18 Comptroller, of the disbursement certification to the counties  
19 and the General Revenue Fund, provided for in this Section to  
20 be given to the Comptroller by the Department, the Comptroller  
21 shall cause the orders to be drawn for the respective amounts  
22 in accordance with the directions contained in such  
23 certification.

24 Nothing in this Section shall be construed to authorize a  
25 county to impose a tax upon the privilege of engaging in any  
26 business which under the constitution of the United States may

1 not be made the subject of taxation by this State.

2 An ordinance or resolution imposing a tax hereunder or  
3 effecting a change in the rate thereof shall be effective on  
4 the first day of the calendar month next following the month in  
5 which such ordinance or resolution is passed. The corporate  
6 authorities of any county which levies a tax authorized by this  
7 Section shall transmit to the Department of Revenue on or not  
8 later than 5 days after passage of the ordinance or resolution  
9 a certified copy of the ordinance or resolution imposing such  
10 tax whereupon the Department of Revenue shall proceed to  
11 administer and enforce this Section on behalf of such county as  
12 of the effective date of the ordinance or resolution. Upon a  
13 change in rate of a tax levied hereunder, or upon the  
14 discontinuance of the tax, the corporate authorities of the  
15 county shall on or not later than 5 days after passage of the  
16 ordinance or resolution discontinuing the tax or effecting a  
17 change in rate transmit to the Department of Revenue a  
18 certified copy of the ordinance or resolution effecting such  
19 change or discontinuance.

20 The Department of Revenue must upon the request of the  
21 County Clerk or County Board submit to a county a list of those  
22 persons who are registered with the Department to pay  
23 automobile renting occupation tax within the unincorporated  
24 area of that governmental unit. This list shall contain only  
25 the names of persons who have paid the tax and not the amount  
26 of tax paid by such person.



1           This Section shall be known and may be cited as the "County  
2           Automobile Renting Occupation Tax Law".

3           (Source: P.A. 86-962.)

4           Section 15. The Illinois Municipal Code is amended by  
5           changing Section 8-11-7 as follows:

6           (65 ILCS 5/8-11-7) (from Ch. 24, par. 8-11-7)

7           Sec. 8-11-7. The corporate authorities of a municipality  
8           may impose a tax upon all persons engaged in the business of  
9           renting automobiles in the municipality at the rate of not to  
10          exceed 1% of the gross receipts from such business. For the  
11          purposes of imposing a tax under this Section, the facilitation  
12          of a privately-owned passenger motor vehicle for use by a  
13          person other than the vehicle's registered owner as a part of a  
14          car facilitation transaction, as defined in Section 1-110.06 of  
15          the Illinois Vehicle Code, constitutes engaging in the business  
16          of renting automobiles in the municipality. The tax imposed by  
17          a municipality pursuant to this Section and all civil penalties  
18          that may be assessed as an incident thereof shall be collected  
19          and enforced by the State Department of Revenue. The  
20          certificate of registration which is issued by the Department  
21          to a retailer under the Retailers' Occupation Tax Act or under  
22          the Automobile Renting Occupation and Use Tax Act shall permit  
23          such person to engage in a business which is taxable under any  
24          ordinance or resolution enacted pursuant to this Section

1 without registering separately with the Department under such  
2 ordinance or resolution or under this Section. The Department  
3 shall have full power to administer and enforce this Section;  
4 to collect all taxes and penalties due hereunder; to dispose of  
5 taxes and penalties so collected in the manner hereinafter  
6 provided; and to determine all rights to credit memoranda,  
7 arising on account of the erroneous payment of tax or penalty  
8 hereunder. In the administration of, and compliance with, this  
9 Section, the Department and persons who are subject to this  
10 Section shall have the same rights, remedies, privileges,  
11 immunities, powers and duties, and be subject to the same  
12 conditions, restrictions, limitations, penalties and  
13 definitions of terms, and employ the same modes of procedure,  
14 as are prescribed in Sections 2 and 3 (in respect to all  
15 provisions therein other than the State rate of tax; and with  
16 relation to the provisions of the "Retailers' Occupation Tax"  
17 referred to therein, except as to the disposition of taxes and  
18 penalties collected, and except for the provision allowing  
19 retailers a deduction from the tax to cover certain costs, and  
20 except that credit memoranda issued hereunder may not be used  
21 to discharge any State tax liability) of the Automobile Renting  
22 Occupation and Use Tax Act, as fully as if those provisions  
23 were set forth herein.

24 Persons subject to any tax imposed pursuant to the  
25 authority granted in this Section may reimburse themselves for  
26 their tax liability hereunder by separately stating such tax as

1 an additional charge, which charge may be stated in  
2 combination, in a single amount, with State tax which sellers  
3 are required to collect under the Automobile Renting Occupation  
4 and Use Tax Act pursuant to such bracket schedules as the  
5 Department may prescribe.

6 Whenever the Department determines that a refund should be  
7 made under this Section to a claimant instead of issuing a  
8 credit memorandum, the Department shall notify the State  
9 Comptroller, who shall cause the order to be drawn for the  
10 amount specified, and to the person named, in such notification  
11 from the Department. Such refund shall be paid by the State  
12 Treasurer out of the municipal automobile renting tax fund.

13 The Department shall forthwith pay over to the State  
14 Treasurer, ex-officio, as trustee, all taxes and penalties  
15 collected hereunder. On or before the 25th day of each calendar  
16 month, the Department shall prepare and certify to the  
17 Comptroller the disbursement of stated sums of money to named  
18 municipalities, the municipalities to be those from which  
19 renters have paid taxes or penalties hereunder to the  
20 Department during the second preceding calendar month. The  
21 amount to be paid to each municipality shall be the amount (not  
22 including credit memoranda) collected hereunder during the  
23 second preceding calendar month by the Department, and not  
24 including an amount equal to the amount of refunds made during  
25 the second preceding calendar month by the Department on behalf  
26 of such municipality, less 1.6% of such balance, which sum

1 shall be retained by the State Treasurer to cover the costs  
2 incurred by the Department in administering and enforcing this  
3 Section as provided herein. The Department at the time of each  
4 monthly disbursement to the municipalities shall prepare and  
5 certify to the Comptroller the amount, so retained by the State  
6 Treasurer, to be paid into the General Revenue Fund of the  
7 State Treasury. Within 10 days after receipt, by the  
8 Comptroller, of the disbursement certification to the  
9 municipalities and the General Revenue Fund, provided for in  
10 this Section to be given to the Comptroller by the Department,  
11 the Comptroller shall cause the orders to be drawn for the  
12 respective amounts in accordance with the directions contained  
13 in such certification.

14 Nothing in this Section shall be construed to authorize a  
15 municipality to impose a tax upon the privilege of engaging in  
16 any business which under the Constitution of the United States  
17 may not be made the subject of taxation by this State.

18 An ordinance or resolution imposing a tax hereunder or  
19 effecting a change in the rate thereof shall be effective on  
20 the first day of the calendar month next following publication  
21 as provided in Section 1-2-4. The corporate authorities of any  
22 municipality which levies a tax authorized by this Section  
23 shall transmit to the Department of Revenue on or not later  
24 than 5 days after publication a certified copy of the ordinance  
25 or resolution imposing such tax whereupon the Department of  
26 Revenue shall proceed to administer and enforce this Section on

1 behalf of such municipality as of the effective date of the  
2 ordinance or resolution. Upon a change in rate of a tax levied  
3 hereunder, or upon the discontinuance of the tax, the corporate  
4 authorities of the municipality shall on or not later than 5  
5 days after publication of the ordinance or resolution  
6 discontinuing the tax or effecting a change in rate transmit to  
7 the Department of Revenue a certified copy of the ordinance or  
8 resolution effecting such change or discontinuance.

9 The Department of Revenue must upon the request of the  
10 municipal clerk, city council or village board of trustees  
11 submit to a city, village or incorporated town a list of those  
12 persons who are registered with the Department to pay  
13 automobile renting occupation tax within that governmental  
14 unit. This list shall contain only the names of persons who  
15 have paid the tax and not the amount of tax paid by such  
16 person.

17 As used in this Section, "municipal" and "municipality"  
18 means a city, village or incorporated town, including an  
19 incorporated town which has superseded a civil township.

20 This Section shall be known and may be cited as the  
21 "Municipal Automobile Renting Occupation Tax Act".

22 (Source: P.A. 86-1475.)

23 Section 20. The Illinois Vehicle Code is amended by  
24 changing Sections 6-305.3 and 9-101 and by adding Sections  
25 1-110.05, 1-110.06, 1-146.7, and 1-171.01e as follows:

1 (625 ILCS 5/1-110.05 new)

2 Sec. 1-110.05. Car facilitation company. A legal entity  
3 qualified to do business in this State engaged in the business  
4 of facilitating the use, rental, or sharing of privately-owned  
5 passenger motor vehicles for noncommercial use by individuals  
6 within this State. "Car facilitation company" does not include  
7 the registered owner of the vehicle involved in a car  
8 facilitation transaction facilitated by a car facilitation  
9 company.

10 (625 ILCS 5/1-110.06 new)

11 Sec. 1-110.06. Car facilitation transaction. The use of a  
12 privately-owned passenger motor vehicle by a person other than  
13 the vehicle's registered owner as facilitated by a car  
14 facilitation company.

15 (625 ILCS 5/1-146.7 new)

16 Sec. 1-146.7. Motor vehicle rental company. Any person or  
17 entity whose primary business is renting motor vehicles to the  
18 public for 30 days or less, including a car facilitation  
19 company as defined in Section 1-110.05. "Motor vehicle rental  
20 company" also includes a rental car company, rental car agency,  
21 automobile rental company, vehicle rental company, rental  
22 owner, or any other similar entity that engages in the rental  
23 of motor vehicles to the public.

1 (625 ILCS 5/1-171.01e new)

2 Sec. 1-171.01e. Rental agreement. An agreement for 30 days  
3 or less setting forth the terms and conditions governing the  
4 use of a motor vehicle provided by a motor vehicle rental  
5 company.

6 (625 ILCS 5/6-305.3)

7 Sec. 6-305.3. Vehicle license cost recovery fee.

8 (a) As used in this Section:

9 "Motor vehicle rental company" has the meaning ascribed to  
10 it in Section 1-146.7 of this Code ~~means a person or entity~~  
11 ~~whose primary business is renting motor vehicles to the public~~  
12 ~~for 30 days or less.~~

13 "Inspect" or "inspection" means a vehicle emissions  
14 inspection under Chapter 13C of this Code.

15 "Rental agreement" has the meaning ascribed to it in  
16 Section 1-171.01e of this Code ~~means an agreement for 30 days~~  
17 ~~or less setting forth the terms and conditions governing the~~  
18 ~~use of a motor vehicle provided by a rental company.~~

19 "Motor vehicle" means motor vehicles of the first division  
20 and motor vehicles of the second division weighing not more  
21 than 8,000 pounds.

22 "Vehicle license cost recovery fee" or "VLCRF" means a  
23 charge that may be separately stated and charged on a rental  
24 agreement in a vehicle rental transaction originating in

1 Illinois to recover costs incurred either directly or  
2 indirectly by a motor vehicle rental company to license, title,  
3 register, and inspect motor vehicles.

4 (b) Motor vehicle rental companies may include a separately  
5 stated mandatory surcharge or fee in a rental agreement for  
6 vehicle license cost recovery fees (VLCRF) and all applicable  
7 taxes.

8 (c) If a motor vehicle rental company includes a VLCRF as  
9 separately stated charge in a rental agreement, the amount of  
10 the fee must represent the motor vehicle rental company's  
11 good-faith estimate of the automobile rental company's daily  
12 charge as calculated by the motor vehicle rental company to  
13 recover its actual total annual motor vehicle titling,  
14 registration, and inspection costs.

15 (d) If the total amount of the VLCRF collected by a motor  
16 vehicle rental company under this Section in any calendar year  
17 exceeds the motor vehicle rental company's actual costs to  
18 license, title, register, and inspect for that calendar year,  
19 the motor vehicle rental company shall do both of the  
20 following:

21 (1) Retain the excess amount; and

22 (2) Adjust the estimated average per vehicle titling,  
23 licensing, inspection, and registration charge for the  
24 following calendar year by a corresponding amount.

25 (e) Nothing in subsection (d) of this Section shall prevent  
26 a motor vehicle rental company from making adjustments to the



1 VLCRF during the calendar year.

2 (Source: P.A. 96-37, eff. 7-13-09; 97-595, eff. 8-26-11.)

3 (625 ILCS 5/9-101) (from Ch. 95 1/2, par. 9-101)

4 Sec. 9-101. Owner of for-rent motor vehicle to give proof  
5 of financial responsibility. For purposes of this Chapter, "for  
6 rent" means any transfer of the possession of or right to  
7 possession of a motor vehicle to a user for a valuable  
8 consideration for a period of less than one year, and "to  
9 lease" means any transfer of the possession of or right to  
10 possession of a motor vehicle to a user for a period of one  
11 year or more. It is unlawful for the owner of any motor vehicle  
12 to engage in the business, or to hold himself out to the public  
13 generally as being engaged in the business of renting out such  
14 motor vehicle to be operated by the customer, unless the owner  
15 has given, and there is in full force and effect and on file  
16 with the Secretary of State proof of financial responsibility  
17 as hereinafter provided. For the purposes of this Section, the  
18 facilitation of a privately-owned passenger motor vehicle for  
19 use by a person other than the vehicle's registered owner as a  
20 part of a car facilitation transaction shall constitute  
21 engaging in the business of renting out motor vehicles in this  
22 State. For the purposes of providing proof of financial  
23 responsibility under this Section, a car facilitation company  
24 shall be considered the owner of the vehicle and financially  
25 responsible for that vehicle at any time the vehicle is used in

1 a car facilitation transaction facilitated by that company and  
2 under the operation and control of a person other than the  
3 vehicle's registered owner. The delivery of a vehicle owned by  
4 an out of State person or business to a renter in this State  
5 shall constitute engaging in the rental business in this State  
6 for purposes of this Section.

7 All owners of motor vehicles which are leased for a period  
8 of one year or more are not required to provide proof of  
9 insurance as required under this chapter, but instead must  
10 comply with Section 7-601 of this Code and obtain vehicle  
11 insurance in amounts no less than the minimum amount set for  
12 bodily injury or death and for destruction of property pursuant  
13 to Section 7-203 of this Code.

14 (Source: P.A. 86-880; 87-1220.)

15 Section 25. The Automated Traffic Control Systems in  
16 Highway Construction or Maintenance Zones Act is amended by  
17 changing Section 45 as follows:

18 (625 ILCS 7/45)

19 Sec. 45. Vehicle rental or leasing company's  
20 identification of a renter or lessee.

21 (a) A Uniform Traffic Citation issued under this Act to a  
22 motor vehicle rental or leasing company shall be dismissed with  
23 respect to the rental or leasing company if:

24 (1) the company responds to the Uniform Traffic

1 Citation by submitting, within 30 days of the mailing of  
2 the citation, an affidavit of non-liability stating that,  
3 at the time of the alleged speeding or other traffic  
4 violation, the vehicle was in the custody and control of a  
5 renter or lessee under the terms of a rental agreement or  
6 lease; and

7 (2) the company provides the driver's license number,  
8 name, and address of the renter or lessee.

9 (a-5) A Uniform Traffic Citation issued under this Act to  
10 the registered owner of a vehicle used in a car facilitation  
11 transaction, as defined in Section 1-110.06 of the Illinois  
12 Vehicle Code, shall be dismissed with respect to the registered  
13 owner if:

14 (1) the registered owner responds to the Uniform  
15 Traffic Citation by submitting, within 30 days of the  
16 mailing of the citation, an affidavit of non-liability  
17 stating that, at the time of the alleged speeding or other  
18 traffic violation, the vehicle was under the operation and  
19 control of a person other than the vehicle's registered  
20 owner under a car facilitation transaction facilitated by a  
21 car facilitation company; and

22 (2) the registered owner provides proof of the  
23 transaction facilitated by the car facilitation company  
24 between the registered owner of the vehicle and the driver  
25 of the vehicle during the alleged violation.

26 (b) A Uniform Traffic Citation dismissed with respect to a

1 motor vehicle rental or leasing company in accordance with  
2 subsection (a) may then be issued and delivered by mail or  
3 other means to the renter or lessee identified in the affidavit  
4 of non-liability.

5 (Source: P.A. 93-947, eff. 8-19-04.)

6 Section 30. The Renter's Financial Responsibility and  
7 Protection Act is amended by changing Section 10 and by adding  
8 Section 30 as follows:

9 (625 ILCS 27/10)

10 Sec. 10. Definitions. As used in this Act:

11 "Car facilitation company" means a legal entity qualified  
12 to do business in this State engaged in the business of  
13 facilitating the use, rental, or sharing of privately-owned  
14 passenger motor vehicles for noncommercial use by individuals  
15 within this State. "Car facilitation company" does not include  
16 the registered owner of the vehicle facilitated by a car  
17 facilitation company for the purpose of car facilitation.

18 "Car facilitation transaction" means the use of a  
19 privately-owned passenger motor vehicle by a person other than  
20 the vehicle's registered owner as facilitated by a car  
21 facilitation company.

22 "Rental Company" means a person or entity that rents  
23 private passenger vehicles to the public for 30 days or less.

24 "Rental company" includes a car facilitation company.

1 "Renter" means a person or entity that obtains the use of a  
2 private passenger vehicle from a rental company under terms of  
3 a rental agreement.

4 "Rental Agreement" means an agreement for 30 days or less  
5 setting forth the terms and conditions governing the use of a  
6 private passenger vehicle provided by a rental company.

7 "Authorized Driver" means: the renter; the renter's spouse  
8 if the spouse is a licensed driver and satisfies the rental  
9 company's minimum age requirement; the renter's employer,  
10 employee, or co-worker if that person is a licensed driver,  
11 satisfies the rental company's minimum age requirement, and at  
12 the time of the rental is engaged in a business activity with  
13 the renter; any person who is expressly listed by the rental  
14 company on the rental agreement as an authorized driver; and  
15 any person driving directly to a medical or police facility  
16 under circumstances reasonably believed to constitute an  
17 emergency and who is a licensed driver.

18 "Damage Waiver" means a rental company's agreement not to  
19 hold an authorized driver liable for all or a part of any  
20 damage to or loss of a rented vehicle for which the renter may  
21 be liable pursuant to Section 6-305.2. "Damage Waiver" shall  
22 encompass within its meaning other similar terms used by rental  
23 companies, such as "Collision Damage Waiver", "Loss Damage  
24 Waiver", "Physical Damage Waiver", and the like.

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

1 (625 ILCS 27/30 new)

2 Sec. 30. Car facilitation company obligations and  
3 liability.

4 (a) Notwithstanding any provision to the contrary, a rental  
5 company that is a car facilitation company shall, when  
6 applicable, be subject to the statutory and regulatory  
7 obligations pertaining to all motor vehicle rental companies.

8 (b) If any loss or injury occurs at any time a vehicle is  
9 under the operation and control of a person other than the  
10 vehicle's registered owner under a car facilitation  
11 transaction facilitated by a car facilitation company, the  
12 company shall assume all liability of the registered owner of  
13 the vehicle used in the car facilitation transaction and shall  
14 be considered the vehicle's owner for all purposes.

15 (c) A car facilitation company continues to be liable under  
16 subsection (b) of this Section until the vehicle is returned to  
17 a location designated by the company, and one of the following  
18 occur:

19 (1) the expiration of the car facilitation period  
20 established for the vehicle occurs;

21 (2) the intent to terminate the vehicle's car  
22 facilitation transaction is verifiably communicated to the  
23 company; or

24 (3) the vehicle's registered owner takes possession  
25 and control of the vehicle.

26 If any loss giving rise to a claim occurs, the car

1 facilitation company shall initially assume liability for a  
2 claim in which a dispute exists as to who was in control of the  
3 vehicle and seek indemnification if it is later determined that  
4 the registered owner was in possession of the vehicle.

5 (d) At no time shall the registered owner of the vehicle or  
6 the owner's insurer be held liable for any loss, injury,  
7 damage, or violation involving his or her vehicle occurring  
8 during a car facilitation transaction unless it is shown that  
9 the registered owner was operating or in control of the vehicle  
10 at the time of the loss, injury, damage, or violation.

11 (e) Notwithstanding any provision to the contrary, for the  
12 purpose of the issuance of a civil penalty for a violation of  
13 Section 11-208.6, 11-208.8, 11-208.9, or 11-1201.1 of the  
14 Illinois Vehicle Code, the violation shall be dismissed with  
15 respect to the registered owner of the vehicle, and the car  
16 facilitation company shall be considered the vehicle's owner  
17 for purposes of violation, if:

18 (1) the registered owner responds to the citation by  
19 submitting, within 30 days of the mailing of the citation,  
20 an affidavit of non-liability stating that, at the time of  
21 the alleged violation, the vehicle was under the operation  
22 and control of a person other than the vehicle's registered  
23 owner under a car facilitation transaction facilitated by a  
24 car facilitation company; and

25 (2) the registered owner provides proof of the  
26 transaction facilitated by the car facilitation company

1 with the driver of his or her vehicle during the alleged  
2 violation.

3 (f) Nothing in this Section shall limit the liability of  
4 the car facilitation company for any acts or omissions by the  
5 company that result in injury to any persons as a result of the  
6 use or operation of a vehicle during a car facilitation  
7 transaction.

8 (g) For the purpose of the allocation of liability for a  
9 private passenger vehicle used in relation to a motor vehicle  
10 rental company that is a car facilitation company, as defined  
11 in Section 1-110.05 of the Illinois Vehicle Code, the car  
12 facilitation company shall assume liability if any damage to  
13 the vehicle occurs:

14 (1) at any time when the vehicle is not in possession  
15 of the vehicle's registered owner and at the car  
16 facilitation company's designated location or other  
17 location designated for the car facilitation transaction  
18 while being made available to rent;

19 (2) under the operation and control of a person other  
20 than the vehicle's registered owner under a car  
21 facilitation transaction facilitated by that company; or

22 (3) at the car facilitation company's designated area  
23 or other location designated for the car facilitation  
24 transaction not being made available to rent, but not yet  
25 in the possession of the vehicle's registered owner.

26 Nothing in this subsection (g) prevents a car facilitation



1 company from holding a renter in a car facilitation transaction  
2 liable to the extent permitted under this Section.

3 A car facilitation company continues to be liable under  
4 this subsection (g) until the end of the car facilitation  
5 transaction as described in subsection (c) of this Section or  
6 as described in this subsection (g). At no time shall the  
7 registered owner of the vehicle or the owner's insurer be  
8 liable for any exposure, including negligent entrustment, of  
9 the vehicle involved in a car facilitation transaction.

10 (h) Notwithstanding any other law and unless otherwise  
11 excluded, an owner's insurer may exclude any and all coverage  
12 and the duty to defend or indemnify for any claim made under a  
13 car facilitation transaction.

14 (i) An owner's insurer that defends or indemnifies a claim  
15 against its insured that is determined to be excluded under the  
16 terms of its policy shall have the right to seek contribution  
17 against the insurer of the car facilitation company, if the  
18 claim is:

19 (1) made against the registered owner of the vehicle or  
20 renter in the car facilitation transaction for loss or  
21 injury that occurs during the car facilitation  
22 transaction; and

23 (2) excluded under the terms of the insurer's policy.

24 (j) Nothing in this Section invalidates or limits an  
25 exclusion contained in an owner's insurance policy for any  
26 coverage included in the policy.

1       (k) An owner's insurer may deny issuance of, cancel, void,  
2 terminate, rescind, or deny renewal of an insurance policy  
3 covering a motor vehicle that has been made available for a car  
4 facilitation transaction if the applicant or policyholder of  
5 the insurance policy fails to provide complete and accurate  
6 information about the use of a motor vehicle through a car  
7 facilitation transaction as requested by the insurer during the  
8 application or renewal process of the insurance policy.

9       (l) Nothing in this Section requires any owner's insurance  
10 policy to:

11           (1) provide primary or excess coverage during the car  
12 facilitation transaction;

13           (2) imply that any insurance policy provides coverage  
14 for a motor vehicle during the car facilitation  
15 transaction; or

16           (3) preclude an insurer from providing coverage for a  
17 vehicle while the vehicle is made available or used through  
18 a car facilitation transaction if the insurer elects to do  
19 so by contract or endorsement.

20       (m) The car facilitation company shall collect and verify  
21 records pertaining to the use of a vehicle, including, but not  
22 limited to, times used, fees paid by the rentor, and revenues  
23 received by the vehicle owner, and provide that information  
24 upon request to the registered vehicle owner, the owner's  
25 insurer, or and the insurer of a person operating the vehicle  
26 during the car facilitation transaction when a claim has been

1 made against an insured involving a dispute as to whether the  
2 insurer's policy of the registered vehicle owner or the person  
3 operating the vehicle and shall retain the records for a  
4 reasonable period after the expiration of the applicable  
5 personal injury statute of limitations.

6 (n) The car facilitation company shall have sole  
7 responsibility for any equipment, such as a GPS system or other  
8 special equipment, that is put in or on the vehicle to monitor  
9 or facilitate the transaction, and shall agree to indemnify and  
10 hold harmless the vehicle owner for any damage to or theft of  
11 such equipment.

12 (o) The car facilitation company shall:

13 (1) verify that the registered vehicle does not have  
14 any safety recalls on the vehicle for which the repairs  
15 have not been made; and

16 (2) notify the owner of the registered vehicle of the  
17 requirements under subsection (p) of this Section.

18 (p) If the registered vehicle owner has received an actual  
19 notice of a safety recall on the motor vehicle, the vehicle's  
20 registered owner may not make the motor vehicle available  
21 through the car facilitation company until the safety recall  
22 repair has been made.

23 If the vehicle's registered owner receives an actual notice  
24 of a safety recall on a registered vehicle while the registered  
25 vehicle is made available or in use through the car  
26 facilitation company, the registered vehicle owner shall

1 remove the shared motor vehicle from participation as soon as  
2 practicably possible, but no later than 72 hours after  
3 receiving the notice of the safety recall and shall not allow  
4 the vehicle to be used in a car facilitation transaction until  
5 the safety recall repair has been made.