103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB1527

Introduced 1/31/2023, by Rep. Frances Ann Hurley

SYNOPSIS AS INTRODUCED:

625 ILCS 5/1-115.08 new 625 ILCS 5/12-614 new 625 ILCS 5/12-615 new 815 ILCS 505/22

from Ch. 121 1/2, par. 262Z

Amends the Illinois Vehicle Code. Defines "disablement technology" as any instrument, device, machine, or equipment, whether software or hardware, that can be used to disable the starter of a motor vehicle, prevent fuel from flowing to the engine, prevent electricity from flowing to the engine, or otherwise prevent the vehicle from being started or driven by a person. Provides that disablement technology shall not be used as an aid to the physical retrieval of a vehicle as part of repossession or as a consequence for nonpayment under a retail installment contract or other instrument. Provides that a violation is an unlawful practice within the meaning of the Consumer Fraud and Deceptive Business Practices Act. Provides that a consumer whose vehicle is subject to the activation of disablement technology may bring an action against an activating person or entity for damages of \$1,000 per month per violation plus actual damages and attorney's fees. Provides that disablement technology may be offered for sale or sold only for antitheft purposes, either on its own or for an additional fee in connection with the purchase of a motor vehicle. Requires a motor vehicle dealer that sells a motor vehicle containing disablement technology to comply with specified requirements. Provides that data generated or stored by disablement technology as the result of a consumer's vehicle usage is the personal property of the consumer, and the consumer is entitled to all profits and other benefits flowing from the sharing or sale of the data. Provides that data generated or stored by disablement technology that is installed in a consumer's vehicle, and data transmitted by or through the disablement technology that relates to the consumer or the consumer's use of a motor vehicle, may not be sold or otherwise shared with any third parties except as required by federal, State, or local law, or required by court order. Makes a corresponding change in the Consumer Fraud and Deceptive Business Practices Act.

LRB103 26005 HEP 52359 b

A BILL FOR

HB1527

AN ACT concerning transportation.

1

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

- Section 5. The Illinois Vehicle Code is amended by adding
 Sections 1-115.08, 12-614, and 12-615 as follows:
- 6 (625 ILCS 5/1-115.08 new)

Sec. 1-115.08. Disablement technology. Any instrument, device, machine, or equipment, whether software or hardware, that can be used to disable the starter of a motor vehicle, prevent fuel from flowing to the engine, prevent electricity from flowing to the engine, or otherwise prevent the vehicle from being started or driven by a person.

13 (625 ILCS 5/12-614 new)

14	Sec. 12-614. Disablement technology, prohibited uses.
15	(a) Disablement technology shall not be used as an aid to
16	the physical retrieval of a vehicle as part of repossession or
17	as a consequence for nonpayment under a retail installment
18	contract or other instrument.
19	(b) A motor vehicle dealer or retail seller as defined by
20	the Motor Vehicle Retail Installment Sales Act, or an
21	individual or entity that offers loans to finance the purchase

22 of motor vehicles, or an assignee or successor in interest,

- 2 - LRB103 26005 HEP 52359 b

1 shall not:

2	(1) Condition the sale or any term of sale of a motor
3	vehicle on a consumer's agreement to allow the dealer or
4	seller to install or use disablement technology, or impose
5	the installation or use of disablement technology as a
6	consequence for nonpayment of a retail installment
7	contract or other instrument.
8	(2) Install or use disablement technology in a motor
9	vehicle except as provided in Section 12-615.
10	(c) The installation or use of disablement technology in
11	violation of this Section is an unlawful practice within the
12	meaning of the Consumer Fraud and Deceptive Business Practices
13	<u>Act.</u>
14	(d) Unless otherwise authorized by this Code, the
15	activation of disablement technology in a motor vehicle for
16	any length of time by any motor vehicle dealer or holder of a
17	retail installment contract or other similar instrument is
18	prohibited. Any consumer whose vehicle is subject to the
19	activation of disablement technology may bring an action
20	against an activating person or entity for damages of \$1,000
21	per month per violation plus actual damages and attorney's
22	fees. In addition, such activation constitutes a form of
23	repossession of the motor vehicle under Section 9-601 of the
24	Uniform Commercial Code, and all rights, requirements,
25	protections, and remedies provided under the Uniform
26	Commercial Code for the repossession of collateral apply.

HB1527

1	(625 ILCS 5/12-615 new)
2	Sec. 12-615. Disablement technology, antitheft.
3	(a) Disablement technology may be offered for sale or sold
4	only for antitheft purposes, either on its own or for an
5	additional fee in connection with the purchase of a motor
6	vehicle. Any motor vehicle dealer that sells a motor vehicle
7	containing disablement technology shall:
8	(1) identify through a clear and conspicuous written
9	and oral disclosure provided separately to the consumer in
10	advance of any sale or execution of any loan agreement for
11	a motor vehicle:
12	(i) the existence of the disablement technology in
13	the motor vehicle, or the intent to install it, or have
14	it installed by a third party;
15	(ii) the brand name and model of the disablement
16	technology installed or to be installed in the
17	vehicle;
18	(iii) a statement that the disablement technology
19	will not be used or activated by the motor vehicle
20	dealer, lender, or any other party as part of a
21	repossession or as a consequence for nonpayment of a
22	retail installment contract or similar agreement; and
23	(iv) the type or types of data related to the
24	consumer or the consumer's use of the motor vehicle
25	generated, stored by, or transmitted through the

1	disablement technology;
2	(2) provide clear and conspicuous written instructions
3	to the consumer about the operation of the disablement
4	technology, including how to activate and deactivate the
5	technology, as well as any global positioning system or
6	other tracking features the particular type of disablement
7	technology may support;
8	(3) take reasonable steps to ensure, prior to sale,
9	that the consumer has sufficient technological means of
10	operating the disablement technology, such as routine
11	access to a computer with Internet access, if necessary;
12	and
13	(4) take no steps that would prevent or limit a
14	consumer's ability to operate the disablement technology,
15	including any global positioning system or other tracking
16	features.
17	(b) The consumer must provide express, written consent
18	before the installation, activation, or use of the disablement
19	technology.
20	(c) A motor vehicle dealer shall not rescind an offer to
21	sell a vehicle to a consumer solely because the consumer
22	refuses to purchase disablement technology or otherwise allow
23	disablement technology to be installed on the vehicle.
24	(d) Any motor vehicle dealer that sells a motor vehicle
25	with disablement technology shall provide customer support via
26	telephone and email for the disablement technology. At least

1 <u>one staff person must be available during the dealer's regular</u>
2 <u>business hours to answer questions and troubleshoot the</u>
3 operation of the technology with the consumer.

4 (e) Data generated or stored by disablement technology as 5 the result of a consumer's vehicle usage is the personal 6 property of the consumer, and the consumer is entitled to all 7 profits and other benefits flowing from the sharing or sale of 8 this data.

9 (f) Data generated or stored by disablement technology that is installed in a consumer's vehicle, and data 10 transmitted by or through the disablement technology that 11 12 relates to the consumer or the consumer's use of a motor 13 vehicle, may not be sold or otherwise shared with any third 14 parties except as required by federal, State, or local law, or required by court order. An entity required to make a 15 16 disclosure to a third party under federal, State, or local 17 law, or by court order, shall make a reasonable effort to provide the consumer with timely, written notice of the 18 19 required disclosure prior to making such a third-party 20 disclosure.

Section 10. The Consumer Fraud and Deceptive Business
 Practices Act is amended by changing Section 2Z as follows:

- 23 (815 ILCS 505/2Z) (from Ch. 121 1/2, par. 262Z)
- 24 Sec. 2Z. Violations of other Acts. Any person who

knowingly violates the Automotive Repair Act, the Automotive 1 Collision Repair Act, the Home Repair and Remodeling Act, the 2 3 Dance Studio Act, the Physical Fitness Services Act, the Hearing Instrument Consumer Protection Act, the Illinois Union 4 5 Label Act, the Installment Sales Contract Act, the Job 6 Referral and Job Listing Services Consumer Protection Act, the 7 Travel Promotion Consumer Protection Act, the Credit Services 8 Organizations Act, the Automatic Telephone Dialers Act, the 9 Pay-Per-Call Services Consumer Protection Act, the Telephone 10 Solicitations Act, the Illinois Funeral or Burial Funds Act, 11 the Cemetery Oversight Act, the Cemetery Care Act, the Safe 12 and Hygienic Bed Act, the Illinois Pre-Need Cemetery Sales Act, the High Risk Home Loan Act, the Payday Loan Reform Act, 13 14 the Predatory Loan Prevention Act, the Mortgage Rescue Fraud 15 Act, subsection (a) or (b) of Section 3-10 of the Cigarette Tax 16 Act, subsection (a) or (b) of Section 3-10 of the Cigarette Use 17 Tax Act, the Electronic Mail Act, the Internet Caller Identification Act, paragraph (6) of subsection (k) of Section 18 19 6-305 of the Illinois Vehicle Code, Section 11-1431, 12-614, 18d-115, 18d-120, 18d-125, 18d-135, 18d-150, or 18d-153 of the 20 Illinois Vehicle Code, Article 3 of the Residential Real 21 22 Property Disclosure Act, the Automatic Contract Renewal Act, 23 the Reverse Mortgage Act, Section 25 of the Youth Mental 24 Health Protection Act, the Personal Information Protection 25 Act, or the Student Online Personal Protection Act commits an 26 unlawful practice within the meaning of this Act.

HB1527

HB1527 - 7 - LRB103 26005 HEP 52359 b

(Source: P.A. 100-315, eff. 8-24-17; 100-416, eff. 1-1-18;
 100-863, eff. 8-14-18; 101-658, eff. 3-23-21.)