

SB0912



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

SB0912

Introduced 2/18/2005, by Sen. William R. Haine - Emil Jones, Jr.

SYNOPSIS AS INTRODUCED:

215 ILCS 152/5

Amends the Service Contract Act. Makes a technical change in a Section concerning definitions.

LRB094 04529 LJB 34558 b

A BILL FOR

1 AN ACT concerning regulation.

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

4 Section 5. The Service Contract Act is amended by changing
5 Section 5 as follows:

6 (215 ILCS 152/5)

7 Sec. 5. Definitions.

8 "Department" means the ~~the~~ Department of Insurance.

9 "Director" means the Director of Insurance.

10 "Service Contract" means a contract or agreement whereby a
11 service contract provider undertakes for a specified period of
12 time, for separate and identifiable consideration, to perform
13 the repair, replacement, or maintenance, or indemnification
14 for such services, of any automobile, system, or consumer
15 product in connection with the operational or structural
16 failure due to a defect in materials or workmanship, or normal
17 wear and tear, with or without additional provision for
18 incidental payment or indemnity under limited circumstances,
19 for related expenses, including, but not limited to, towing,
20 rental, and emergency road service. Service contracts may
21 provide for the repair, replacement, or maintenance of such
22 property for damage resulting from power surges and accidental
23 damage from handling. Service contracts shall not include
24 contracts of limited duration that provide for scheduled
25 maintenance only.

26 "Service contract holder" means the person who purchases a
27 service contract or a permitted transferee.

28 "Service contract provider" means a person who is
29 contractually obligated to the service contract holder under
30 the terms of the service contract. A service contract provider
31 does not include an insurer.

32 "Service contract reimbursement insurance policy" means a

1 policy of insurance that is issued to the service contract
2 provider to provide reimbursement to the service contract
3 provider or to pay on behalf of the service contract provider
4 all covered contractual obligations incurred by the service
5 contract provider under the terms and conditions of the insured
6 service contracts issued or sold by the service contract
7 provider.

8 "System" means the heating, cooling, plumbing, electrical,
9 ventilation, or any other similar system of a home.

10 (Source: P.A. 90-711, eff. 8-7-98.)