



Consumer Protection Committee

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09500HB5314ham001

LRB095 18240 RLC 47848 a

1 AMENDMENT TO HOUSE BILL 5314

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 5314 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Vehicle Code is amended by  
5 changing 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. The total liability of a renter  
15 under subsection (a) for damage to a motor vehicle may not  
16 exceed all of the following:

1 (1) The lesser of:

2 (A) Actual and reasonable costs that the person who  
3 rents a motor vehicle to another incurred to repair the  
4 motor vehicle or that the rental company would have  
5 incurred if the motor vehicle had been repaired, which  
6 shall reflect any discounts, price reductions, or  
7 adjustments available to the rental company; or

8 (B) The fair market value of that motor vehicle  
9 immediately before the damage occurred, as determined  
10 in the customary market for the retail sale of that  
11 motor vehicle; and

12 (2) Actual and reasonable costs incurred by the loss  
13 due to theft of the rental motor vehicle up to its fair  
14 market value immediately before the loss occurred using a  
15 commonly and commercially accepted method to establish a  
16 fair market value \$2,000; provided, however, that if it is  
17 ~~established that the renter or an authorized driver failed~~  
18 ~~to exercise ordinary care while in possession of the~~  
19 ~~vehicle or that the renter or an authorized driver~~  
20 ~~committed or aided and abetted the commission of the theft,~~  
21 ~~then the damages shall be the actual and reasonable costs~~  
22 ~~of the rental vehicle up to its fair market value, as~~  
23 ~~determined by the customary market for the sale of that~~  
24 ~~vehicle.~~

25 For purposes of this subsection (b), for the period prior  
26 to June 1, 1998, the maximum amount that may be recovered from

1 an authorized driver shall not exceed \$6,000; for the period  
2 beginning June 1, 1998 through May 31, 1999, the maximum  
3 recovery shall not exceed \$7,500; and for the period beginning  
4 June 1, 1999 through May 31, 2000, the maximum recovery shall  
5 not exceed \$9,000. Beginning June 1, 2000, and annually each  
6 June 1 thereafter, the maximum amount that may be recovered  
7 from an authorized driver shall be increased by \$500 above the  
8 maximum recovery allowed immediately prior to June 1 of that  
9 year.

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

13 (d) Repair estimates. A person who rents a motor vehicle to  
14 another may not collect or attempt to collect the amount  
15 described in subsection (b) unless the rental company obtains  
16 an estimate from a repair company or an appraiser in the  
17 business of providing such appraisals on the costs of repairing  
18 the motor vehicle, makes a copy of the estimate available upon  
19 request to the renter who may be liable under subsection (a),  
20 and ~~or~~ the insurer of the renter, if known by the rental  
21 company, and submits a copy of the estimate with any claim to  
22 collect the amount described in subsection (b). If the estimate  
23 of repair exceeds \$3,500, then, prior to any repairs being  
24 initiated, the insurer of the renter or the renter shall be  
25 allowed 72 hours from the date of notice to inspect the damaged  
26 vehicle and obtain another estimate of repair on the damaged

1 vehicle.

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

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

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

1 representatives during regular business hours. After  
2 confirmation of coverage, the amount of claim shall be resolved  
3 between the insurance carrier and the rental company.  
4 (Source: P.A. 90-113, eff. 7-14-97.)

5 Section 99. Effective date. This Act takes effect July 1,  
6 2008.".