



## 98TH GENERAL ASSEMBLY

### State of Illinois

2013 and 2014

HB2584

by Rep. Arthur Turner

#### SYNOPSIS AS INTRODUCED:

625 ILCS 27/15

Amends the Renter's Financial Responsibility and Protection Act. Provides that beginning January 1, 2014, the amount that a rental company may charge for a collision damage waiver shall increase to \$13.50 per day. Provides that beginning January 1, 2015, the amount that a rental company may charge for a collision damage waiver shall increase on the first day of the year and every year thereafter by the lesser of: (i) the Consumer Price Index for all Urban Consumers for the previous calendar year as determined by the United States Department of Labor; or (ii) 5%. Effective immediately.

LRB098 07007 MLW 37066 b

1 AN ACT concerning vehicles.

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

4 Section 5. The Renter's Financial Responsibility and  
5 Protection Act is amended by changing Section 15 as follows:

6 (625 ILCS 27/15)

7 Sec. 15. Prohibited practices.

8 (a) A rental company may not sell a damage waiver unless  
9 the renter agrees to the damage waiver in writing at or prior  
10 to the time the rental agreement is executed.

11 (b) A rental company may not void a damage waiver except  
12 for one or more of the following reasons:

13 (1) Damage or loss while the rental vehicle is used to  
14 carry persons or property for a charge or fee.

15 (2) Damage or loss during an organized or agreed upon  
16 racing or speed contest or demonstration or pushing or  
17 pulling activity in which the rental vehicle is actively  
18 involved.

19 (3) Damage or loss that could reasonably be expected  
20 from an intentional or criminal act of the driver other  
21 than a traffic infraction.

22 (4) Damage or loss to any rental vehicle resulting from  
23 any auto business operation, including but not limited to

1 repairing, servicing, testing, washing, parking, storing,  
2 or selling of automobiles.

3 (5) Damage or loss occurring to a rental vehicle if the  
4 rental contract is based on fraudulent or material  
5 misrepresentation by the renter.

6 (6) Damage or loss arising out of the use of the rental  
7 vehicle outside the continental United States when such use  
8 is specifically prohibited in the rental agreement.

9 (7) Damage or loss occurring while the rental vehicle  
10 is operated by a driver not permitted under the rental  
11 agreement.

12 (8) Damage or loss occurring while the rental vehicle  
13 is operated by a driver under the influence of alcohol,  
14 other drug or drugs, intoxicating compound or compounds, or  
15 any combination thereof and convicted of violating  
16 subsection (a) of Section 11-501 of the Illinois Vehicle  
17 Code.

18 (c) A rental company shall not charge more than \$12.50 per  
19 full or partial 24 hour rental day for a collision damage  
20 waiver prior to January 1, 2014. Beginning January 1, 2014, a  
21 rental company shall not charge more than \$13.50 per full or  
22 partial 24 hour rental day for a collision damage waiver.  
23 Beginning January 1, 2015, the amount that a rental company may  
24 charge shall increase on the first day of the year and every  
25 year thereafter by the lesser of: (i) the Consumer Price Index  
26 for all Urban Consumers for the previous calendar year as

1 determined by the United States Department of Labor; or (ii)  
2 5%.

3 (Source: P.A. 94-332, eff. 1-1-06; 95-249, eff. 1-1-08.)

4 Section 99. Effective date. This Act takes effect upon  
5 becoming law.