



Rep. Arthur Turner

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1 AMENDMENT TO SENATE BILL 514

2 AMENDMENT NO. _____. Amend Senate Bill 514 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. If and only if Senate Bill 2641 of the 100th
5 General Assembly becomes law in the form in which it passed the
6 General Assembly, then the Use Tax Act is amended by changing
7 Section 3-5 as follows:

8 (35 ILCS 105/3-5)

9 Sec. 3-5. Exemptions. Use of the following tangible
10 personal property is exempt from the tax imposed by this Act:

11 (1) Personal property purchased from a corporation,
12 society, association, foundation, institution, or
13 organization, other than a limited liability company, that is
14 organized and operated as a not-for-profit service enterprise
15 for the benefit of persons 65 years of age or older if the
16 personal property was not purchased by the enterprise for the

1 purpose of resale by the enterprise.

2 (2) Personal property purchased by a not-for-profit
3 Illinois county fair association for use in conducting,
4 operating, or promoting the county fair.

5 (3) Personal property purchased by a not-for-profit arts or
6 cultural organization that establishes, by proof required by
7 the Department by rule, that it has received an exemption under
8 Section 501(c)(3) of the Internal Revenue Code and that is
9 organized and operated primarily for the presentation or
10 support of arts or cultural programming, activities, or
11 services. These organizations include, but are not limited to,
12 music and dramatic arts organizations such as symphony
13 orchestras and theatrical groups, arts and cultural service
14 organizations, local arts councils, visual arts organizations,
15 and media arts organizations. On and after July 1, 2001 (the
16 effective date of Public Act 92-35), however, an entity
17 otherwise eligible for this exemption shall not make tax-free
18 purchases unless it has an active identification number issued
19 by the Department.

20 (4) Personal property purchased by a governmental body, by
21 a corporation, society, association, foundation, or
22 institution organized and operated exclusively for charitable,
23 religious, or educational purposes, or by a not-for-profit
24 corporation, society, association, foundation, institution, or
25 organization that has no compensated officers or employees and
26 that is organized and operated primarily for the recreation of

1 persons 55 years of age or older. A limited liability company
2 may qualify for the exemption under this paragraph only if the
3 limited liability company is organized and operated
4 exclusively for educational purposes. On and after July 1,
5 1987, however, no entity otherwise eligible for this exemption
6 shall make tax-free purchases unless it has an active exemption
7 identification number issued by the Department.

8 (5) Until July 1, 2003, a passenger car that is a
9 replacement vehicle to the extent that the purchase price of
10 the car is subject to the Replacement Vehicle Tax.

11 (6) Until July 1, 2003 and beginning again on September 1,
12 2004 through August 30, 2014, graphic arts machinery and
13 equipment, including repair and replacement parts, both new and
14 used, and including that manufactured on special order,
15 certified by the purchaser to be used primarily for graphic
16 arts production, and including machinery and equipment
17 purchased for lease. Equipment includes chemicals or chemicals
18 acting as catalysts but only if the chemicals or chemicals
19 acting as catalysts effect a direct and immediate change upon a
20 graphic arts product. Beginning on July 1, 2017, graphic arts
21 machinery and equipment is included in the manufacturing and
22 assembling machinery and equipment exemption under paragraph
23 (18).

24 (7) Farm chemicals.

25 (8) Legal tender, currency, medallions, or gold or silver
26 coinage issued by the State of Illinois, the government of the

1 United States of America, or the government of any foreign
2 country, and bullion.

3 (9) Personal property purchased from a teacher-sponsored
4 student organization affiliated with an elementary or
5 secondary school located in Illinois.

6 (10) A motor vehicle that is used for automobile renting,
7 as defined in the Automobile Renting Occupation and Use Tax
8 Act. This exemption does not include the purchase of a motor
9 vehicle which will be used in a car facilitation transaction,
10 as defined in Section 1-110.06 of the Illinois Vehicle Code.

11 (11) Farm machinery and equipment, both new and used,
12 including that manufactured on special order, certified by the
13 purchaser to be used primarily for production agriculture or
14 State or federal agricultural programs, including individual
15 replacement parts for the machinery and equipment, including
16 machinery and equipment purchased for lease, and including
17 implements of husbandry defined in Section 1-130 of the
18 Illinois Vehicle Code, farm machinery and agricultural
19 chemical and fertilizer spreaders, and nurse wagons required to
20 be registered under Section 3-809 of the Illinois Vehicle Code,
21 but excluding other motor vehicles required to be registered
22 under the Illinois Vehicle Code. Horticultural polyhouses or
23 hoop houses used for propagating, growing, or overwintering
24 plants shall be considered farm machinery and equipment under
25 this item (11). Agricultural chemical tender tanks and dry
26 boxes shall include units sold separately from a motor vehicle

1 required to be licensed and units sold mounted on a motor
2 vehicle required to be licensed if the selling price of the
3 tender is separately stated.

4 Farm machinery and equipment shall include precision
5 farming equipment that is installed or purchased to be
6 installed on farm machinery and equipment including, but not
7 limited to, tractors, harvesters, sprayers, planters, seeders,
8 or spreaders. Precision farming equipment includes, but is not
9 limited to, soil testing sensors, computers, monitors,
10 software, global positioning and mapping systems, and other
11 such equipment.

12 Farm machinery and equipment also includes computers,
13 sensors, software, and related equipment used primarily in the
14 computer-assisted operation of production agriculture
15 facilities, equipment, and activities such as, but not limited
16 to, the collection, monitoring, and correlation of animal and
17 crop data for the purpose of formulating animal diets and
18 agricultural chemicals. This item (11) is exempt from the
19 provisions of Section 3-90.

20 (12) Until June 30, 2013, fuel and petroleum products sold
21 to or used by an air common carrier, certified by the carrier
22 to be used for consumption, shipment, or storage in the conduct
23 of its business as an air common carrier, for a flight destined
24 for or returning from a location or locations outside the
25 United States without regard to previous or subsequent domestic
26 stopovers.

1 Beginning July 1, 2013, fuel and petroleum products sold to
2 or used by an air carrier, certified by the carrier to be used
3 for consumption, shipment, or storage in the conduct of its
4 business as an air common carrier, for a flight that (i) is
5 engaged in foreign trade or is engaged in trade between the
6 United States and any of its possessions and (ii) transports at
7 least one individual or package for hire from the city of
8 origination to the city of final destination on the same
9 aircraft, without regard to a change in the flight number of
10 that aircraft.

11 (13) Proceeds of mandatory service charges separately
12 stated on customers' bills for the purchase and consumption of
13 food and beverages purchased at retail from a retailer, to the
14 extent that the proceeds of the service charge are in fact
15 turned over as tips or as a substitute for tips to the
16 employees who participate directly in preparing, serving,
17 hosting or cleaning up the food or beverage function with
18 respect to which the service charge is imposed.

19 (14) Until July 1, 2003, oil field exploration, drilling,
20 and production equipment, including (i) rigs and parts of rigs,
21 rotary rigs, cable tool rigs, and workover rigs, (ii) pipe and
22 tubular goods, including casing and drill strings, (iii) pumps
23 and pump-jack units, (iv) storage tanks and flow lines, (v) any
24 individual replacement part for oil field exploration,
25 drilling, and production equipment, and (vi) machinery and
26 equipment purchased for lease; but excluding motor vehicles

1 required to be registered under the Illinois Vehicle Code.

2 (15) Photoprocessing machinery and equipment, including
3 repair and replacement parts, both new and used, including that
4 manufactured on special order, certified by the purchaser to be
5 used primarily for photoprocessing, and including
6 photoprocessing machinery and equipment purchased for lease.

7 (16) Until July 1, 2023, coal and aggregate exploration,
8 mining, off-highway hauling, processing, maintenance, and
9 reclamation equipment, including replacement parts and
10 equipment, and including equipment purchased for lease, but
11 excluding motor vehicles required to be registered under the
12 Illinois Vehicle Code. The changes made to this Section by
13 Public Act 97-767 apply on and after July 1, 2003, but no claim
14 for credit or refund is allowed on or after August 16, 2013
15 (the effective date of Public Act 98-456) for such taxes paid
16 during the period beginning July 1, 2003 and ending on August
17 16, 2013 (the effective date of Public Act 98-456).

18 (17) Until July 1, 2003, distillation machinery and
19 equipment, sold as a unit or kit, assembled or installed by the
20 retailer, certified by the user to be used only for the
21 production of ethyl alcohol that will be used for consumption
22 as motor fuel or as a component of motor fuel for the personal
23 use of the user, and not subject to sale or resale.

24 (18) Manufacturing and assembling machinery and equipment
25 used primarily in the process of manufacturing or assembling
26 tangible personal property for wholesale or retail sale or

1 lease, whether that sale or lease is made directly by the
2 manufacturer or by some other person, whether the materials
3 used in the process are owned by the manufacturer or some other
4 person, or whether that sale or lease is made apart from or as
5 an incident to the seller's engaging in the service occupation
6 of producing machines, tools, dies, jigs, patterns, gauges, or
7 other similar items of no commercial value on special order for
8 a particular purchaser. The exemption provided by this
9 paragraph (18) does not include machinery and equipment used in
10 (i) the generation of electricity for wholesale or retail sale;
11 (ii) the generation or treatment of natural or artificial gas
12 for wholesale or retail sale that is delivered to customers
13 through pipes, pipelines, or mains; or (iii) the treatment of
14 water for wholesale or retail sale that is delivered to
15 customers through pipes, pipelines, or mains. The provisions of
16 Public Act 98-583 are declaratory of existing law as to the
17 meaning and scope of this exemption. Beginning on July 1, 2017,
18 the exemption provided by this paragraph (18) includes, but is
19 not limited to, graphic arts machinery and equipment, as
20 defined in paragraph (6) of this Section.

21 (19) Personal property delivered to a purchaser or
22 purchaser's donee inside Illinois when the purchase order for
23 that personal property was received by a florist located
24 outside Illinois who has a florist located inside Illinois
25 deliver the personal property.

26 (20) Semen used for artificial insemination of livestock

1 for direct agricultural production.

2 (21) Horses, or interests in horses, registered with and
3 meeting the requirements of any of the Arabian Horse Club
4 Registry of America, Appaloosa Horse Club, American Quarter
5 Horse Association, United States Trotting Association, or
6 Jockey Club, as appropriate, used for purposes of breeding or
7 racing for prizes. This item (21) is exempt from the provisions
8 of Section 3-90, and the exemption provided for under this item
9 (21) applies for all periods beginning May 30, 1995, but no
10 claim for credit or refund is allowed on or after January 1,
11 2008 for such taxes paid during the period beginning May 30,
12 2000 and ending on January 1, 2008.

13 (22) Computers and communications equipment utilized for
14 any hospital purpose and equipment used in the diagnosis,
15 analysis, or treatment of hospital patients purchased by a
16 lessor who leases the equipment, under a lease of one year or
17 longer executed or in effect at the time the lessor would
18 otherwise be subject to the tax imposed by this Act, to a
19 hospital that has been issued an active tax exemption
20 identification number by the Department under Section 1g of the
21 Retailers' Occupation Tax Act. If the equipment is leased in a
22 manner that does not qualify for this exemption or is used in
23 any other non-exempt manner, the lessor shall be liable for the
24 tax imposed under this Act or the Service Use Tax Act, as the
25 case may be, based on the fair market value of the property at
26 the time the non-qualifying use occurs. No lessor shall collect

1 or attempt to collect an amount (however designated) that
2 purports to reimburse that lessor for the tax imposed by this
3 Act or the Service Use Tax Act, as the case may be, if the tax
4 has not been paid by the lessor. If a lessor improperly
5 collects any such amount from the lessee, the lessee shall have
6 a legal right to claim a refund of that amount from the lessor.
7 If, however, that amount is not refunded to the lessee for any
8 reason, the lessor is liable to pay that amount to the
9 Department.

10 (23) Personal property purchased by a lessor who leases the
11 property, under a lease of one year or longer executed or in
12 effect at the time the lessor would otherwise be subject to the
13 tax imposed by this Act, to a governmental body that has been
14 issued an active sales tax exemption identification number by
15 the Department under Section 1g of the Retailers' Occupation
16 Tax Act. If the property is leased in a manner that does not
17 qualify for this exemption or used in any other non-exempt
18 manner, the lessor shall be liable for the tax imposed under
19 this Act or the Service Use Tax Act, as the case may be, based
20 on the fair market value of the property at the time the
21 non-qualifying use occurs. No lessor shall collect or attempt
22 to collect an amount (however designated) that purports to
23 reimburse that lessor for the tax imposed by this Act or the
24 Service Use Tax Act, as the case may be, if the tax has not been
25 paid by the lessor. If a lessor improperly collects any such
26 amount from the lessee, the lessee shall have a legal right to

1 claim a refund of that amount from the lessor. If, however,
2 that amount is not refunded to the lessee for any reason, the
3 lessor is liable to pay that amount to the Department.

4 (24) Beginning with taxable years ending on or after
5 December 31, 1995 and ending with taxable years ending on or
6 before December 31, 2004, personal property that is donated for
7 disaster relief to be used in a State or federally declared
8 disaster area in Illinois or bordering Illinois by a
9 manufacturer or retailer that is registered in this State to a
10 corporation, society, association, foundation, or institution
11 that has been issued a sales tax exemption identification
12 number by the Department that assists victims of the disaster
13 who reside within the declared disaster area.

14 (25) Beginning with taxable years ending on or after
15 December 31, 1995 and ending with taxable years ending on or
16 before December 31, 2004, personal property that is used in the
17 performance of infrastructure repairs in this State, including
18 but not limited to municipal roads and streets, access roads,
19 bridges, sidewalks, waste disposal systems, water and sewer
20 line extensions, water distribution and purification
21 facilities, storm water drainage and retention facilities, and
22 sewage treatment facilities, resulting from a State or
23 federally declared disaster in Illinois or bordering Illinois
24 when such repairs are initiated on facilities located in the
25 declared disaster area within 6 months after the disaster.

26 (26) Beginning July 1, 1999, game or game birds purchased

1 at a "game breeding and hunting preserve area" as that term is
2 used in the Wildlife Code. This paragraph is exempt from the
3 provisions of Section 3-90.

4 (27) A motor vehicle, as that term is defined in Section
5 1-146 of the Illinois Vehicle Code, that is donated to a
6 corporation, limited liability company, society, association,
7 foundation, or institution that is determined by the Department
8 to be organized and operated exclusively for educational
9 purposes. For purposes of this exemption, "a corporation,
10 limited liability company, society, association, foundation,
11 or institution organized and operated exclusively for
12 educational purposes" means all tax-supported public schools,
13 private schools that offer systematic instruction in useful
14 branches of learning by methods common to public schools and
15 that compare favorably in their scope and intensity with the
16 course of study presented in tax-supported schools, and
17 vocational or technical schools or institutes organized and
18 operated exclusively to provide a course of study of not less
19 than 6 weeks duration and designed to prepare individuals to
20 follow a trade or to pursue a manual, technical, mechanical,
21 industrial, business, or commercial occupation.

22 (28) Beginning January 1, 2000, personal property,
23 including food, purchased through fundraising events for the
24 benefit of a public or private elementary or secondary school,
25 a group of those schools, or one or more school districts if
26 the events are sponsored by an entity recognized by the school

1 district that consists primarily of volunteers and includes
2 parents and teachers of the school children. This paragraph
3 does not apply to fundraising events (i) for the benefit of
4 private home instruction or (ii) for which the fundraising
5 entity purchases the personal property sold at the events from
6 another individual or entity that sold the property for the
7 purpose of resale by the fundraising entity and that profits
8 from the sale to the fundraising entity. This paragraph is
9 exempt from the provisions of Section 3-90.

10 (29) Beginning January 1, 2000 and through December 31,
11 2001, new or used automatic vending machines that prepare and
12 serve hot food and beverages, including coffee, soup, and other
13 items, and replacement parts for these machines. Beginning
14 January 1, 2002 and through June 30, 2003, machines and parts
15 for machines used in commercial, coin-operated amusement and
16 vending business if a use or occupation tax is paid on the
17 gross receipts derived from the use of the commercial,
18 coin-operated amusement and vending machines. This paragraph
19 is exempt from the provisions of Section 3-90.

20 (30) Beginning January 1, 2001 and through June 30, 2016,
21 food for human consumption that is to be consumed off the
22 premises where it is sold (other than alcoholic beverages, soft
23 drinks, and food that has been prepared for immediate
24 consumption) and prescription and nonprescription medicines,
25 drugs, medical appliances, and insulin, urine testing
26 materials, syringes, and needles used by diabetics, for human

1 use, when purchased for use by a person receiving medical
2 assistance under Article V of the Illinois Public Aid Code who
3 resides in a licensed long-term care facility, as defined in
4 the Nursing Home Care Act, or in a licensed facility as defined
5 in the ID/DD Community Care Act, the MC/DD Act, or the
6 Specialized Mental Health Rehabilitation Act of 2013.

7 (31) Beginning on August 2, 2001 (the effective date of
8 Public Act 92-227), computers and communications equipment
9 utilized for any hospital purpose and equipment used in the
10 diagnosis, analysis, or treatment of hospital patients
11 purchased by a lessor who leases the equipment, under a lease
12 of one year or longer executed or in effect at the time the
13 lessor would otherwise be subject to the tax imposed by this
14 Act, to a hospital that has been issued an active tax exemption
15 identification number by the Department under Section 1g of the
16 Retailers' Occupation Tax Act. If the equipment is leased in a
17 manner that does not qualify for this exemption or is used in
18 any other nonexempt manner, the lessor shall be liable for the
19 tax imposed under this Act or the Service Use Tax Act, as the
20 case may be, based on the fair market value of the property at
21 the time the nonqualifying use occurs. No lessor shall collect
22 or attempt to collect an amount (however designated) that
23 purports to reimburse that lessor for the tax imposed by this
24 Act or the Service Use Tax Act, as the case may be, if the tax
25 has not been paid by the lessor. If a lessor improperly
26 collects any such amount from the lessee, the lessee shall have

1 a legal right to claim a refund of that amount from the lessor.
2 If, however, that amount is not refunded to the lessee for any
3 reason, the lessor is liable to pay that amount to the
4 Department. This paragraph is exempt from the provisions of
5 Section 3-90.

6 (32) Beginning on August 2, 2001 (the effective date of
7 Public Act 92-227), personal property purchased by a lessor who
8 leases the property, under a lease of one year or longer
9 executed or in effect at the time the lessor would otherwise be
10 subject to the tax imposed by this Act, to a governmental body
11 that has been issued an active sales tax exemption
12 identification number by the Department under Section 1g of the
13 Retailers' Occupation Tax Act. If the property is leased in a
14 manner that does not qualify for this exemption or used in any
15 other nonexempt manner, the lessor shall be liable for the tax
16 imposed under this Act or the Service Use Tax Act, as the case
17 may be, based on the fair market value of the property at the
18 time the nonqualifying use occurs. No lessor shall collect or
19 attempt to collect an amount (however designated) that purports
20 to reimburse that lessor for the tax imposed by this Act or the
21 Service Use Tax Act, as the case may be, if the tax has not been
22 paid by the lessor. If a lessor improperly collects any such
23 amount from the lessee, the lessee shall have a legal right to
24 claim a refund of that amount from the lessor. If, however,
25 that amount is not refunded to the lessee for any reason, the
26 lessor is liable to pay that amount to the Department. This

1 paragraph is exempt from the provisions of Section 3-90.

2 (33) On and after July 1, 2003 and through June 30, 2004,
3 the use in this State of motor vehicles of the second division
4 with a gross vehicle weight in excess of 8,000 pounds and that
5 are subject to the commercial distribution fee imposed under
6 Section 3-815.1 of the Illinois Vehicle Code. Beginning on July
7 1, 2004 and through June 30, 2005, the use in this State of
8 motor vehicles of the second division: (i) with a gross vehicle
9 weight rating in excess of 8,000 pounds; (ii) that are subject
10 to the commercial distribution fee imposed under Section
11 3-815.1 of the Illinois Vehicle Code; and (iii) that are
12 primarily used for commercial purposes. Through June 30, 2005,
13 this exemption applies to repair and replacement parts added
14 after the initial purchase of such a motor vehicle if that
15 motor vehicle is used in a manner that would qualify for the
16 rolling stock exemption otherwise provided for in this Act. For
17 purposes of this paragraph, the term "used for commercial
18 purposes" means the transportation of persons or property in
19 furtherance of any commercial or industrial enterprise,
20 whether for-hire or not.

21 (34) Beginning January 1, 2008, tangible personal property
22 used in the construction or maintenance of a community water
23 supply, as defined under Section 3.145 of the Environmental
24 Protection Act, that is operated by a not-for-profit
25 corporation that holds a valid water supply permit issued under
26 Title IV of the Environmental Protection Act. This paragraph is

1 exempt from the provisions of Section 3-90.

2 (35) Beginning January 1, 2010, materials, parts,
3 equipment, components, and furnishings incorporated into or
4 upon an aircraft as part of the modification, refurbishment,
5 completion, replacement, repair, or maintenance of the
6 aircraft. This exemption includes consumable supplies used in
7 the modification, refurbishment, completion, replacement,
8 repair, and maintenance of aircraft, but excludes any
9 materials, parts, equipment, components, and consumable
10 supplies used in the modification, replacement, repair, and
11 maintenance of aircraft engines or power plants, whether such
12 engines or power plants are installed or uninstalled upon any
13 such aircraft. "Consumable supplies" include, but are not
14 limited to, adhesive, tape, sandpaper, general purpose
15 lubricants, cleaning solution, latex gloves, and protective
16 films. This exemption applies only to the use of qualifying
17 tangible personal property by persons who modify, refurbish,
18 complete, repair, replace, or maintain aircraft and who (i)
19 hold an Air Agency Certificate and are empowered to operate an
20 approved repair station by the Federal Aviation
21 Administration, (ii) have a Class IV Rating, and (iii) conduct
22 operations in accordance with Part 145 of the Federal Aviation
23 Regulations. The exemption does not include aircraft operated
24 by a commercial air carrier providing scheduled passenger air
25 service pursuant to authority issued under Part 121 or Part 129
26 of the Federal Aviation Regulations. The changes made to this

1 paragraph (35) by Public Act 98-534 are declarative of existing
2 law.

3 (36) Tangible personal property purchased by a
4 public-facilities corporation, as described in Section
5 11-65-10 of the Illinois Municipal Code, for purposes of
6 constructing or furnishing a municipal convention hall, but
7 only if the legal title to the municipal convention hall is
8 transferred to the municipality without any further
9 consideration by or on behalf of the municipality at the time
10 of the completion of the municipal convention hall or upon the
11 retirement or redemption of any bonds or other debt instruments
12 issued by the public-facilities corporation in connection with
13 the development of the municipal convention hall. This
14 exemption includes existing public-facilities corporations as
15 provided in Section 11-65-25 of the Illinois Municipal Code.
16 This paragraph is exempt from the provisions of Section 3-90.

17 (37) Beginning January 1, 2017, menstrual pads, tampons,
18 and menstrual cups.

19 (38) Merchandise that is subject to the Rental Purchase
20 Agreement Occupation and Use Tax. The purchaser must certify
21 that the item is purchased to be rented subject to a rental
22 purchase agreement, as defined in the Rental Purchase Agreement
23 Act, and provide proof of registration under the Rental
24 Purchase Agreement Occupation and Use Tax Act. This paragraph
25 is exempt from the provisions of Section 3-90.

26 (Source: P.A. 99-180, eff. 7-29-15; 99-855, eff. 8-19-16;

1 100-22, eff. 7-6-17; 100-437, eff. 1-1-18; 100-594, eff.
2 6-29-18; 100-863, eff. 8-14-18.)

3 Section 10. If and only if Senate Bill 2641 of the 100th
4 General Assembly becomes law in the form in which it passed the
5 General Assembly, then the Retailers' Occupation Tax Act is
6 amended by changing Section 2-5 as follows:

7 (35 ILCS 120/2-5)

8 Sec. 2-5. Exemptions. Gross receipts from proceeds from the
9 sale of the following tangible personal property are exempt
10 from the tax imposed by this Act:

11 (1) Farm chemicals.

12 (2) Farm machinery and equipment, both new and used,
13 including that manufactured on special order, certified by
14 the purchaser to be used primarily for production
15 agriculture or State or federal agricultural programs,
16 including individual replacement parts for the machinery
17 and equipment, including machinery and equipment purchased
18 for lease, and including implements of husbandry defined in
19 Section 1-130 of the Illinois Vehicle Code, farm machinery
20 and agricultural chemical and fertilizer spreaders, and
21 nurse wagons required to be registered under Section 3-809
22 of the Illinois Vehicle Code, but excluding other motor
23 vehicles required to be registered under the Illinois
24 Vehicle Code. Horticultural polyhouses or hoop houses used

1 for propagating, growing, or overwintering plants shall be
2 considered farm machinery and equipment under this item
3 (2). Agricultural chemical tender tanks and dry boxes shall
4 include units sold separately from a motor vehicle required
5 to be licensed and units sold mounted on a motor vehicle
6 required to be licensed, if the selling price of the tender
7 is separately stated.

8 Farm machinery and equipment shall include precision
9 farming equipment that is installed or purchased to be
10 installed on farm machinery and equipment including, but
11 not limited to, tractors, harvesters, sprayers, planters,
12 seeders, or spreaders. Precision farming equipment
13 includes, but is not limited to, soil testing sensors,
14 computers, monitors, software, global positioning and
15 mapping systems, and other such equipment.

16 Farm machinery and equipment also includes computers,
17 sensors, software, and related equipment used primarily in
18 the computer-assisted operation of production agriculture
19 facilities, equipment, and activities such as, but not
20 limited to, the collection, monitoring, and correlation of
21 animal and crop data for the purpose of formulating animal
22 diets and agricultural chemicals. This item (2) is exempt
23 from the provisions of Section 2-70.

24 (3) Until July 1, 2003, distillation machinery and
25 equipment, sold as a unit or kit, assembled or installed by
26 the retailer, certified by the user to be used only for the

1 production of ethyl alcohol that will be used for
2 consumption as motor fuel or as a component of motor fuel
3 for the personal use of the user, and not subject to sale
4 or resale.

5 (4) Until July 1, 2003 and beginning again September 1,
6 2004 through August 30, 2014, graphic arts machinery and
7 equipment, including repair and replacement parts, both
8 new and used, and including that manufactured on special
9 order or purchased for lease, certified by the purchaser to
10 be used primarily for graphic arts production. Equipment
11 includes chemicals or chemicals acting as catalysts but
12 only if the chemicals or chemicals acting as catalysts
13 effect a direct and immediate change upon a graphic arts
14 product. Beginning on July 1, 2017, graphic arts machinery
15 and equipment is included in the manufacturing and
16 assembling machinery and equipment exemption under
17 paragraph (14).

18 (5) A motor vehicle that is used for automobile
19 renting, as defined in the Automobile Renting Occupation
20 and Use Tax Act. This paragraph is exempt from the
21 provisions of Section 2-70. This exemption does not include
22 the sale of a motor vehicle which will be used in a car
23 facilitation transaction, as defined in Section 1-110.06
24 of the Illinois Vehicle Code.

25 (6) Personal property sold by a teacher-sponsored
26 student organization affiliated with an elementary or

1 secondary school located in Illinois.

2 (7) Until July 1, 2003, proceeds of that portion of the
3 selling price of a passenger car the sale of which is
4 subject to the Replacement Vehicle Tax.

5 (8) Personal property sold to an Illinois county fair
6 association for use in conducting, operating, or promoting
7 the county fair.

8 (9) Personal property sold to a not-for-profit arts or
9 cultural organization that establishes, by proof required
10 by the Department by rule, that it has received an
11 exemption under Section 501(c)(3) of the Internal Revenue
12 Code and that is organized and operated primarily for the
13 presentation or support of arts or cultural programming,
14 activities, or services. These organizations include, but
15 are not limited to, music and dramatic arts organizations
16 such as symphony orchestras and theatrical groups, arts and
17 cultural service organizations, local arts councils,
18 visual arts organizations, and media arts organizations.
19 On and after July 1, 2001 (the effective date of Public Act
20 92-35), however, an entity otherwise eligible for this
21 exemption shall not make tax-free purchases unless it has
22 an active identification number issued by the Department.

23 (10) Personal property sold by a corporation, society,
24 association, foundation, institution, or organization,
25 other than a limited liability company, that is organized
26 and operated as a not-for-profit service enterprise for the

1 benefit of persons 65 years of age or older if the personal
2 property was not purchased by the enterprise for the
3 purpose of resale by the enterprise.

4 (11) Personal property sold to a governmental body, to
5 a corporation, society, association, foundation, or
6 institution organized and operated exclusively for
7 charitable, religious, or educational purposes, or to a
8 not-for-profit corporation, society, association,
9 foundation, institution, or organization that has no
10 compensated officers or employees and that is organized and
11 operated primarily for the recreation of persons 55 years
12 of age or older. A limited liability company may qualify
13 for the exemption under this paragraph only if the limited
14 liability company is organized and operated exclusively
15 for educational purposes. On and after July 1, 1987,
16 however, no entity otherwise eligible for this exemption
17 shall make tax-free purchases unless it has an active
18 identification number issued by the Department.

19 (12) (Blank).

20 (12-5) On and after July 1, 2003 and through June 30,
21 2004, motor vehicles of the second division with a gross
22 vehicle weight in excess of 8,000 pounds that are subject
23 to the commercial distribution fee imposed under Section
24 3-815.1 of the Illinois Vehicle Code. Beginning on July 1,
25 2004 and through June 30, 2005, the use in this State of
26 motor vehicles of the second division: (i) with a gross

1 vehicle weight rating in excess of 8,000 pounds; (ii) that
2 are subject to the commercial distribution fee imposed
3 under Section 3-815.1 of the Illinois Vehicle Code; and
4 (iii) that are primarily used for commercial purposes.
5 Through June 30, 2005, this exemption applies to repair and
6 replacement parts added after the initial purchase of such
7 a motor vehicle if that motor vehicle is used in a manner
8 that would qualify for the rolling stock exemption
9 otherwise provided for in this Act. For purposes of this
10 paragraph, "used for commercial purposes" means the
11 transportation of persons or property in furtherance of any
12 commercial or industrial enterprise whether for-hire or
13 not.

14 (13) Proceeds from sales to owners, lessors, or
15 shippers of tangible personal property that is utilized by
16 interstate carriers for hire for use as rolling stock
17 moving in interstate commerce and equipment operated by a
18 telecommunications provider, licensed as a common carrier
19 by the Federal Communications Commission, which is
20 permanently installed in or affixed to aircraft moving in
21 interstate commerce.

22 (14) Machinery and equipment that will be used by the
23 purchaser, or a lessee of the purchaser, primarily in the
24 process of manufacturing or assembling tangible personal
25 property for wholesale or retail sale or lease, whether the
26 sale or lease is made directly by the manufacturer or by

1 some other person, whether the materials used in the
2 process are owned by the manufacturer or some other person,
3 or whether the sale or lease is made apart from or as an
4 incident to the seller's engaging in the service occupation
5 of producing machines, tools, dies, jigs, patterns,
6 gauges, or other similar items of no commercial value on
7 special order for a particular purchaser. The exemption
8 provided by this paragraph (14) does not include machinery
9 and equipment used in (i) the generation of electricity for
10 wholesale or retail sale; (ii) the generation or treatment
11 of natural or artificial gas for wholesale or retail sale
12 that is delivered to customers through pipes, pipelines, or
13 mains; or (iii) the treatment of water for wholesale or
14 retail sale that is delivered to customers through pipes,
15 pipelines, or mains. The provisions of Public Act 98-583
16 are declaratory of existing law as to the meaning and scope
17 of this exemption. Beginning on July 1, 2017, the exemption
18 provided by this paragraph (14) includes, but is not
19 limited to, graphic arts machinery and equipment, as
20 defined in paragraph (4) of this Section.

21 (15) Proceeds of mandatory service charges separately
22 stated on customers' bills for purchase and consumption of
23 food and beverages, to the extent that the proceeds of the
24 service charge are in fact turned over as tips or as a
25 substitute for tips to the employees who participate
26 directly in preparing, serving, hosting or cleaning up the

1 food or beverage function with respect to which the service
2 charge is imposed.

3 (16) Petroleum products sold to a purchaser if the
4 seller is prohibited by federal law from charging tax to
5 the purchaser.

6 (17) Tangible personal property sold to a common
7 carrier by rail or motor that receives the physical
8 possession of the property in Illinois and that transports
9 the property, or shares with another common carrier in the
10 transportation of the property, out of Illinois on a
11 standard uniform bill of lading showing the seller of the
12 property as the shipper or consignor of the property to a
13 destination outside Illinois, for use outside Illinois.

14 (18) Legal tender, currency, medallions, or gold or
15 silver coinage issued by the State of Illinois, the
16 government of the United States of America, or the
17 government of any foreign country, and bullion.

18 (19) Until July 1, 2003, oil field exploration,
19 drilling, and production equipment, including (i) rigs and
20 parts of rigs, rotary rigs, cable tool rigs, and workover
21 rigs, (ii) pipe and tubular goods, including casing and
22 drill strings, (iii) pumps and pump-jack units, (iv)
23 storage tanks and flow lines, (v) any individual
24 replacement part for oil field exploration, drilling, and
25 production equipment, and (vi) machinery and equipment
26 purchased for lease; but excluding motor vehicles required

1 to be registered under the Illinois Vehicle Code.

2 (20) Photoprocessing machinery and equipment,
3 including repair and replacement parts, both new and used,
4 including that manufactured on special order, certified by
5 the purchaser to be used primarily for photoprocessing, and
6 including photoprocessing machinery and equipment
7 purchased for lease.

8 (21) Until July 1, 2023, coal and aggregate
9 exploration, mining, off-highway hauling, processing,
10 maintenance, and reclamation equipment, including
11 replacement parts and equipment, and including equipment
12 purchased for lease, but excluding motor vehicles required
13 to be registered under the Illinois Vehicle Code. The
14 changes made to this Section by Public Act 97-767 apply on
15 and after July 1, 2003, but no claim for credit or refund
16 is allowed on or after August 16, 2013 (the effective date
17 of Public Act 98-456) for such taxes paid during the period
18 beginning July 1, 2003 and ending on August 16, 2013 (the
19 effective date of Public Act 98-456).

20 (22) Until June 30, 2013, fuel and petroleum products
21 sold to or used by an air carrier, certified by the carrier
22 to be used for consumption, shipment, or storage in the
23 conduct of its business as an air common carrier, for a
24 flight destined for or returning from a location or
25 locations outside the United States without regard to
26 previous or subsequent domestic stopovers.

1 Beginning July 1, 2013, fuel and petroleum products
2 sold to or used by an air carrier, certified by the carrier
3 to be used for consumption, shipment, or storage in the
4 conduct of its business as an air common carrier, for a
5 flight that (i) is engaged in foreign trade or is engaged
6 in trade between the United States and any of its
7 possessions and (ii) transports at least one individual or
8 package for hire from the city of origination to the city
9 of final destination on the same aircraft, without regard
10 to a change in the flight number of that aircraft.

11 (23) A transaction in which the purchase order is
12 received by a florist who is located outside Illinois, but
13 who has a florist located in Illinois deliver the property
14 to the purchaser or the purchaser's donee in Illinois.

15 (24) Fuel consumed or used in the operation of ships,
16 barges, or vessels that are used primarily in or for the
17 transportation of property or the conveyance of persons for
18 hire on rivers bordering on this State if the fuel is
19 delivered by the seller to the purchaser's barge, ship, or
20 vessel while it is afloat upon that bordering river.

21 (25) Except as provided in item (25-5) of this Section,
22 a motor vehicle sold in this State to a nonresident even
23 though the motor vehicle is delivered to the nonresident in
24 this State, if the motor vehicle is not to be titled in
25 this State, and if a drive-away permit is issued to the
26 motor vehicle as provided in Section 3-603 of the Illinois

1 Vehicle Code or if the nonresident purchaser has vehicle
2 registration plates to transfer to the motor vehicle upon
3 returning to his or her home state. The issuance of the
4 drive-away permit or having the out-of-state registration
5 plates to be transferred is prima facie evidence that the
6 motor vehicle will not be titled in this State.

7 (25-5) The exemption under item (25) does not apply if
8 the state in which the motor vehicle will be titled does
9 not allow a reciprocal exemption for a motor vehicle sold
10 and delivered in that state to an Illinois resident but
11 titled in Illinois. The tax collected under this Act on the
12 sale of a motor vehicle in this State to a resident of
13 another state that does not allow a reciprocal exemption
14 shall be imposed at a rate equal to the state's rate of tax
15 on taxable property in the state in which the purchaser is
16 a resident, except that the tax shall not exceed the tax
17 that would otherwise be imposed under this Act. At the time
18 of the sale, the purchaser shall execute a statement,
19 signed under penalty of perjury, of his or her intent to
20 title the vehicle in the state in which the purchaser is a
21 resident within 30 days after the sale and of the fact of
22 the payment to the State of Illinois of tax in an amount
23 equivalent to the state's rate of tax on taxable property
24 in his or her state of residence and shall submit the
25 statement to the appropriate tax collection agency in his
26 or her state of residence. In addition, the retailer must

1 retain a signed copy of the statement in his or her
2 records. Nothing in this item shall be construed to require
3 the removal of the vehicle from this state following the
4 filing of an intent to title the vehicle in the purchaser's
5 state of residence if the purchaser titles the vehicle in
6 his or her state of residence within 30 days after the date
7 of sale. The tax collected under this Act in accordance
8 with this item (25-5) shall be proportionately distributed
9 as if the tax were collected at the 6.25% general rate
10 imposed under this Act.

11 (25-7) Beginning on July 1, 2007, no tax is imposed
12 under this Act on the sale of an aircraft, as defined in
13 Section 3 of the Illinois Aeronautics Act, if all of the
14 following conditions are met:

15 (1) the aircraft leaves this State within 15 days
16 after the later of either the issuance of the final
17 billing for the sale of the aircraft, or the authorized
18 approval for return to service, completion of the
19 maintenance record entry, and completion of the test
20 flight and ground test for inspection, as required by
21 14 C.F.R. 91.407;

22 (2) the aircraft is not based or registered in this
23 State after the sale of the aircraft; and

24 (3) the seller retains in his or her books and
25 records and provides to the Department a signed and
26 dated certification from the purchaser, on a form

1 prescribed by the Department, certifying that the
2 requirements of this item (25-7) are met. The
3 certificate must also include the name and address of
4 the purchaser, the address of the location where the
5 aircraft is to be titled or registered, the address of
6 the primary physical location of the aircraft, and
7 other information that the Department may reasonably
8 require.

9 For purposes of this item (25-7):

10 "Based in this State" means hangared, stored, or
11 otherwise used, excluding post-sale customizations as
12 defined in this Section, for 10 or more days in each
13 12-month period immediately following the date of the sale
14 of the aircraft.

15 "Registered in this State" means an aircraft
16 registered with the Department of Transportation,
17 Aeronautics Division, or titled or registered with the
18 Federal Aviation Administration to an address located in
19 this State.

20 This paragraph (25-7) is exempt from the provisions of
21 Section 2-70.

22 (26) Semen used for artificial insemination of
23 livestock for direct agricultural production.

24 (27) Horses, or interests in horses, registered with
25 and meeting the requirements of any of the Arabian Horse
26 Club Registry of America, Appaloosa Horse Club, American

1 Quarter Horse Association, United States Trotting
2 Association, or Jockey Club, as appropriate, used for
3 purposes of breeding or racing for prizes. This item (27)
4 is exempt from the provisions of Section 2-70, and the
5 exemption provided for under this item (27) applies for all
6 periods beginning May 30, 1995, but no claim for credit or
7 refund is allowed on or after January 1, 2008 (the
8 effective date of Public Act 95-88) for such taxes paid
9 during the period beginning May 30, 2000 and ending on
10 January 1, 2008 (the effective date of Public Act 95-88).

11 (28) Computers and communications equipment utilized
12 for any hospital purpose and equipment used in the
13 diagnosis, analysis, or treatment of hospital patients
14 sold to a lessor who leases the equipment, under a lease of
15 one year or longer executed or in effect at the time of the
16 purchase, to a hospital that has been issued an active tax
17 exemption identification number by the Department under
18 Section 1g of this Act.

19 (29) Personal property sold to a lessor who leases the
20 property, under a lease of one year or longer executed or
21 in effect at the time of the purchase, to a governmental
22 body that has been issued an active tax exemption
23 identification number by the Department under Section 1g of
24 this Act.

25 (30) Beginning with taxable years ending on or after
26 December 31, 1995 and ending with taxable years ending on

1 or before December 31, 2004, personal property that is
2 donated for disaster relief to be used in a State or
3 federally declared disaster area in Illinois or bordering
4 Illinois by a manufacturer or retailer that is registered
5 in this State to a corporation, society, association,
6 foundation, or institution that has been issued a sales tax
7 exemption identification number by the Department that
8 assists victims of the disaster who reside within the
9 declared disaster area.

10 (31) Beginning with taxable years ending on or after
11 December 31, 1995 and ending with taxable years ending on
12 or before December 31, 2004, personal property that is used
13 in the performance of infrastructure repairs in this State,
14 including but not limited to municipal roads and streets,
15 access roads, bridges, sidewalks, waste disposal systems,
16 water and sewer line extensions, water distribution and
17 purification facilities, storm water drainage and
18 retention facilities, and sewage treatment facilities,
19 resulting from a State or federally declared disaster in
20 Illinois or bordering Illinois when such repairs are
21 initiated on facilities located in the declared disaster
22 area within 6 months after the disaster.

23 (32) Beginning July 1, 1999, game or game birds sold at
24 a "game breeding and hunting preserve area" as that term is
25 used in the Wildlife Code. This paragraph is exempt from
26 the provisions of Section 2-70.

1 (33) A motor vehicle, as that term is defined in
2 Section 1-146 of the Illinois Vehicle Code, that is donated
3 to a corporation, limited liability company, society,
4 association, foundation, or institution that is determined
5 by the Department to be organized and operated exclusively
6 for educational purposes. For purposes of this exemption,
7 "a corporation, limited liability company, society,
8 association, foundation, or institution organized and
9 operated exclusively for educational purposes" means all
10 tax-supported public schools, private schools that offer
11 systematic instruction in useful branches of learning by
12 methods common to public schools and that compare favorably
13 in their scope and intensity with the course of study
14 presented in tax-supported schools, and vocational or
15 technical schools or institutes organized and operated
16 exclusively to provide a course of study of not less than 6
17 weeks duration and designed to prepare individuals to
18 follow a trade or to pursue a manual, technical,
19 mechanical, industrial, business, or commercial
20 occupation.

21 (34) Beginning January 1, 2000, personal property,
22 including food, purchased through fundraising events for
23 the benefit of a public or private elementary or secondary
24 school, a group of those schools, or one or more school
25 districts if the events are sponsored by an entity
26 recognized by the school district that consists primarily

1 of volunteers and includes parents and teachers of the
2 school children. This paragraph does not apply to
3 fundraising events (i) for the benefit of private home
4 instruction or (ii) for which the fundraising entity
5 purchases the personal property sold at the events from
6 another individual or entity that sold the property for the
7 purpose of resale by the fundraising entity and that
8 profits from the sale to the fundraising entity. This
9 paragraph is exempt from the provisions of Section 2-70.

10 (35) Beginning January 1, 2000 and through December 31,
11 2001, new or used automatic vending machines that prepare
12 and serve hot food and beverages, including coffee, soup,
13 and other items, and replacement parts for these machines.
14 Beginning January 1, 2002 and through June 30, 2003,
15 machines and parts for machines used in commercial,
16 coin-operated amusement and vending business if a use or
17 occupation tax is paid on the gross receipts derived from
18 the use of the commercial, coin-operated amusement and
19 vending machines. This paragraph is exempt from the
20 provisions of Section 2-70.

21 (35-5) Beginning August 23, 2001 and through June 30,
22 2016, food for human consumption that is to be consumed off
23 the premises where it is sold (other than alcoholic
24 beverages, soft drinks, and food that has been prepared for
25 immediate consumption) and prescription and
26 nonprescription medicines, drugs, medical appliances, and

1 insulin, urine testing materials, syringes, and needles
2 used by diabetics, for human use, when purchased for use by
3 a person receiving medical assistance under Article V of
4 the Illinois Public Aid Code who resides in a licensed
5 long-term care facility, as defined in the Nursing Home
6 Care Act, or a licensed facility as defined in the ID/DD
7 Community Care Act, the MC/DD Act, or the Specialized
8 Mental Health Rehabilitation Act of 2013.

9 (36) Beginning August 2, 2001, computers and
10 communications equipment utilized for any hospital purpose
11 and equipment used in the diagnosis, analysis, or treatment
12 of hospital patients sold to a lessor who leases the
13 equipment, under a lease of one year or longer executed or
14 in effect at the time of the purchase, to a hospital that
15 has been issued an active tax exemption identification
16 number by the Department under Section 1g of this Act. This
17 paragraph is exempt from the provisions of Section 2-70.

18 (37) Beginning August 2, 2001, personal property sold
19 to a lessor who leases the property, under a lease of one
20 year or longer executed or in effect at the time of the
21 purchase, to a governmental body that has been issued an
22 active tax exemption identification number by the
23 Department under Section 1g of this Act. This paragraph is
24 exempt from the provisions of Section 2-70.

25 (38) Beginning on January 1, 2002 and through June 30,
26 2016, tangible personal property purchased from an

1 Illinois retailer by a taxpayer engaged in centralized
2 purchasing activities in Illinois who will, upon receipt of
3 the property in Illinois, temporarily store the property in
4 Illinois (i) for the purpose of subsequently transporting
5 it outside this State for use or consumption thereafter
6 solely outside this State or (ii) for the purpose of being
7 processed, fabricated, or manufactured into, attached to,
8 or incorporated into other tangible personal property to be
9 transported outside this State and thereafter used or
10 consumed solely outside this State. The Director of Revenue
11 shall, pursuant to rules adopted in accordance with the
12 Illinois Administrative Procedure Act, issue a permit to
13 any taxpayer in good standing with the Department who is
14 eligible for the exemption under this paragraph (38). The
15 permit issued under this paragraph (38) shall authorize the
16 holder, to the extent and in the manner specified in the
17 rules adopted under this Act, to purchase tangible personal
18 property from a retailer exempt from the taxes imposed by
19 this Act. Taxpayers shall maintain all necessary books and
20 records to substantiate the use and consumption of all such
21 tangible personal property outside of the State of
22 Illinois.

23 (39) Beginning January 1, 2008, tangible personal
24 property used in the construction or maintenance of a
25 community water supply, as defined under Section 3.145 of
26 the Environmental Protection Act, that is operated by a

1 not-for-profit corporation that holds a valid water supply
2 permit issued under Title IV of the Environmental
3 Protection Act. This paragraph is exempt from the
4 provisions of Section 2-70.

5 (40) Beginning January 1, 2010, materials, parts,
6 equipment, components, and furnishings incorporated into
7 or upon an aircraft as part of the modification,
8 refurbishment, completion, replacement, repair, or
9 maintenance of the aircraft. This exemption includes
10 consumable supplies used in the modification,
11 refurbishment, completion, replacement, repair, and
12 maintenance of aircraft, but excludes any materials,
13 parts, equipment, components, and consumable supplies used
14 in the modification, replacement, repair, and maintenance
15 of aircraft engines or power plants, whether such engines
16 or power plants are installed or uninstalled upon any such
17 aircraft. "Consumable supplies" include, but are not
18 limited to, adhesive, tape, sandpaper, general purpose
19 lubricants, cleaning solution, latex gloves, and
20 protective films. This exemption applies only to the sale
21 of qualifying tangible personal property to persons who
22 modify, refurbish, complete, replace, or maintain an
23 aircraft and who (i) hold an Air Agency Certificate and are
24 empowered to operate an approved repair station by the
25 Federal Aviation Administration, (ii) have a Class IV
26 Rating, and (iii) conduct operations in accordance with

1 Part 145 of the Federal Aviation Regulations. The exemption
2 does not include aircraft operated by a commercial air
3 carrier providing scheduled passenger air service pursuant
4 to authority issued under Part 121 or Part 129 of the
5 Federal Aviation Regulations. The changes made to this
6 paragraph (40) by Public Act 98-534 are declarative of
7 existing law.

8 (41) Tangible personal property sold to a
9 public-facilities corporation, as described in Section
10 11-65-10 of the Illinois Municipal Code, for purposes of
11 constructing or furnishing a municipal convention hall,
12 but only if the legal title to the municipal convention
13 hall is transferred to the municipality without any further
14 consideration by or on behalf of the municipality at the
15 time of the completion of the municipal convention hall or
16 upon the retirement or redemption of any bonds or other
17 debt instruments issued by the public-facilities
18 corporation in connection with the development of the
19 municipal convention hall. This exemption includes
20 existing public-facilities corporations as provided in
21 Section 11-65-25 of the Illinois Municipal Code. This
22 paragraph is exempt from the provisions of Section 2-70.

23 (42) Beginning January 1, 2017, menstrual pads,
24 tampons, and menstrual cups.

25 (43) Merchandise that is subject to the Rental Purchase
26 Agreement Occupation and Use Tax. The purchaser must

1 certify that the item is purchased to be rented subject to
2 a rental purchase agreement, as defined in the Rental
3 Purchase Agreement Act, and provide proof of registration
4 under the Rental Purchase Agreement Occupation and Use Tax
5 Act. This paragraph is exempt from the provisions of
6 Section 2-70.

7 (Source: P.A. 99-180, eff. 7-29-15; 99-855, eff. 8-19-16;
8 100-22, eff. 7-6-17; 100-321, eff. 8-24-17; 100-437, eff.
9 1-1-18; 100-594, eff. 6-29-18; 100-863, eff. 8-14-18.)

10 Section 15. If and only if Senate Bill 2641 of the 100th
11 General Assembly becomes law in the form in which it passed the
12 General Assembly, then the Automobile Renting Occupation and
13 Use Tax Act is amended by changing Section 2 as follows:

14 (35 ILCS 155/2) (from Ch. 120, par. 1702)

15 Sec. 2. Definitions. "Renting" means any transfer of the
16 possession or right to possession of an automobile to a user
17 for a valuable consideration for a period of one year or less,
18 including the facilitation of the use of a privately-owned
19 passenger motor vehicle ~~for use~~ by persons other than the
20 vehicle's registered owner as ~~an~~ part of a car facilitation
21 transaction, as defined in Section 1-110.06 of the Illinois
22 Vehicle Code.

23 "Renting" does not include making a charge for the use of
24 an automobile where the rentor, either himself or through an

1 agent, furnishes a service of operating an automobile so that
2 the rentor remains in possession of the automobile, because
3 this does not constitute a transfer of possession or right to
4 possession of the automobile.

5 "Renting" does not include the making of a charge by an
6 automobile dealer for the use of an automobile as a
7 demonstrator in connection with the dealer's business of
8 selling, where the charge is merely made to recover the costs
9 of operating the automobile as a demonstrator and is not
10 intended as a rental or leasing charge in the ordinary sense.

11 "Automobile" means (1) any motor vehicle of the first
12 division, or (2) a motor vehicle of the second division which:
13 (A) is a self-contained motor vehicle designed or permanently
14 converted to provide living quarters for recreational, camping
15 or travel use, with direct walk through access to the living
16 quarters from the driver's seat; (B) is of the van
17 configuration designed for the transportation of not less than
18 7 nor more than 16 passengers, as defined in Section 1-146 of
19 the Illinois Vehicle Code; or (C) has a Gross Vehicle Weight
20 Rating, as defined in Section 1-124.5 of the Illinois Vehicle
21 Code, of 8,000 pounds or less.

22 "Department" means the Department of Revenue.

23 "Person" means any natural individual, firm, partnership,
24 association, joint stock company, joint adventure, public or
25 private corporation, limited liability company, or a receiver,
26 executor, trustee, conservator or other representative

1 appointed by order of any court.

2 "Rentor" means any person, firm, corporation or
3 association engaged in the business of renting or leasing
4 automobiles to users. For this purpose, the objective of making
5 a profit is not necessary to make the renting activity a
6 business. "Rentor" includes a car facilitation company as
7 defined in Section 1-110.05 of the Illinois Vehicle Code.

8 "Rentee" means any user to whom the possession, or the
9 right to possession, of an automobile is transferred for a
10 valuable consideration for a period of one year or less,
11 whether paid for by the "rentee" or by someone else.

12 "Gross receipts" from the renting of tangible personal
13 property or "rent" means the total rental price or leasing
14 price. In the case of rental transactions in which the
15 consideration is paid to the rentor on an installment basis,
16 the amounts of such payments shall be included by the rentor in
17 gross receipts or rent only as and when payments are received
18 by the rentor.

19 "Gross receipts" does not include receipts received by an
20 automobile dealer from a manufacturer or service contract
21 provider for the use of an automobile by a person while that
22 person's automobile is being repaired by that automobile dealer
23 and the repair is made pursuant to a manufacturer's warranty or
24 a service contract where a manufacturer or service contract
25 provider reimburses that automobile dealer pursuant to a
26 manufacturer's warranty or a service contract and the

1 reimbursement is merely made to recover the costs of operating
2 the automobile as a loaner vehicle.

3 "Rental price" means the consideration for renting or
4 leasing an automobile valued in money, whether received in
5 money or otherwise, including cash credits, property and
6 services, and shall be determined without any deduction on
7 account of the cost of the property rented, the cost of
8 materials used, labor or service cost, or any other expense
9 whatsoever, but does not include charges that are added by a
10 rentor on account of the rentor's tax liability under this Act
11 or on account of the rentor's duty to collect, from the rentee,
12 the tax that is imposed by Section 4 of this Act. The phrase
13 "rental price" does not include compensation paid to a rentor
14 by a rentee in consideration of the waiver by the rentor of any
15 right of action or claim against the rentee for loss or damage
16 to the automobile rented and also does not include a separately
17 stated charge for insurance or recovery of refueling costs or
18 other separately stated charges that are not for the use of
19 tangible personal property.

20 (Source: 10000SB2641enr.)

21 Section 20. If and only if Senate Bill 2641 of the 100th
22 General Assembly becomes law in the form in which it passed the
23 General Assembly, then the Counties Code is amended by changing
24 Section 5-1032 as follows:

1 (55 ILCS 5/5-1032) (from Ch. 34, par. 5-1032)

2 Sec. 5-1032. County Automobile Renting Occupation Tax. The
3 corporate authorities of a county may impose a tax upon all
4 persons engaged in the business of renting automobiles in the
5 county, but outside any municipality, at the rate of not to
6 exceed 1% of the gross receipts from such business. For the
7 purposes of imposing a tax under this Section, the facilitation
8 of the use of a privately-owned passenger motor vehicle ~~for use~~
9 by a person other than the vehicle's registered owner as a part
10 of a car facilitation transaction, as defined in Section
11 1-110.06 of the Illinois Vehicle Code, constitutes engaging in
12 the business of renting automobiles in the county. The tax
13 imposed by a county pursuant to this Section and all civil
14 penalties that may be assessed as an Incident thereof shall be
15 collected and enforced by the State Department of Revenue. The
16 certificate of registration which is issued by the Department
17 to a retailer under the "Retailers' Occupation Tax Act",
18 approved June 23, 1933, as amended, or under the "Automobile
19 Renting Occupation and Use Tax Act", enacted by the
20 Eighty-Second General Assembly, shall permit such person to
21 engage in a business which is taxable under any ordinance or
22 resolution enacted pursuant to this Section without
23 registering separately with the Department under such
24 ordinance or resolution or under this Section. The Department
25 shall have full power to administer and enforce this Section;
26 to collect all taxes and penalties due hereunder; to dispose of

1 taxes and penalties so collected in the manner hereinafter
2 provided, and to determine all rights to credit memoranda,
3 arising on account of the erroneous payment of tax or penalty
4 hereunder. In the administration of, and compliance with, this
5 Section, the Department and persons who are subject to this
6 Section shall have the same rights, remedies, privileges,
7 immunities, powers and duties, and be subject to the same
8 conditions, restrictions, limitations, penalties and
9 definitions of terms, and employ the same modes of procedure,
10 as are prescribed in Sections 2 and 3 (in respect to all
11 provisions therein other than the State rate of tax; and with
12 relation to the provisions of the "Retailers' Occupation Tax"
13 referred to therein, except as to the disposition of taxes and
14 penalties collected, and except for the provision allowing
15 retailers a deduction from the tax to cover certain costs, and
16 except that credit memoranda issued hereunder may not be used
17 to discharge any State tax liability) of the "Automobile
18 Renting Occupation and Use Tax Act", as the same are now or may
19 hereafter be amended, as fully as if provisions contained in
20 those Sections of said Act were set forth herein.

21 Persons subject to any tax imposed pursuant to the
22 authority granted in this Section may reimburse themselves for
23 their tax liability hereunder by separately stating such tax as
24 an additional charge, which charge may be stated in
25 combination, in a single amount, with State tax which sellers
26 are required to collect under the "Automobile Renting

1 Occupation and Use Tax Act" pursuant to such bracket schedules
2 as the Department may prescribe.

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

10 The Department shall forthwith pay over to the State
11 Treasurer, ex-officio, as trustee, all taxes and penalties
12 collected hereunder. On or before the 25th day of each calendar
13 month, the Department shall prepare and certify to the
14 Comptroller the disbursement of stated sums of money to named
15 counties from which renters have paid taxes or penalties
16 hereunder to the Department during the second preceding
17 calendar month. The amount to be paid to each county shall be
18 the amount (not including credit memoranda) collected
19 hereunder during the second preceding calendar month by the
20 Department, and not including an amount equal to the amount of
21 refunds made during the second preceding calendar month by the
22 Department on behalf of such county, less 2% of such balance,
23 which sum shall be retained by the State Treasurer to cover the
24 costs incurred by the Department in administering and enforcing
25 this Section as provided herein. The Department at the time of
26 each monthly disbursement to the counties shall prepare and

1 certify to the Comptroller the amount, so retained by the State
2 Treasurer, to be paid into the General Revenue Fund of the
3 State Treasury. Within 10 days after receipt, by the
4 Comptroller, of the disbursement certification to the counties
5 and the General Revenue Fund, provided for in this Section to
6 be given to the Comptroller by the Department, the Comptroller
7 shall cause the orders to be drawn for the respective amounts
8 in accordance with the directions contained in such
9 certification.

10 Nothing in this Section shall be construed to authorize a
11 county to impose a tax upon the privilege of engaging in any
12 business which under the constitution of the United States may
13 not be made the subject of taxation by this State.

14 An ordinance or resolution imposing a tax hereunder or
15 effecting a change in the rate thereof shall be effective on
16 the first day of the calendar month next following the month in
17 which such ordinance or resolution is passed. The corporate
18 authorities of any county which levies a tax authorized by this
19 Section shall transmit to the Department of Revenue on or not
20 later than 5 days after passage of the ordinance or resolution
21 a certified copy of the ordinance or resolution imposing such
22 tax whereupon the Department of Revenue shall proceed to
23 administer and enforce this Section on behalf of such county as
24 of the effective date of the ordinance or resolution. Upon a
25 change in rate of a tax levied hereunder, or upon the
26 discontinuance of the tax, the corporate authorities of the

1 county shall on or not later than 5 days after passage of the
2 ordinance or resolution discontinuing the tax or effecting a
3 change in rate transmit to the Department of Revenue a
4 certified copy of the ordinance or resolution effecting such
5 change or discontinuance.

6 The Department of Revenue must upon the request of the
7 County Clerk or County Board submit to a county a list of those
8 persons who are registered with the Department to pay
9 automobile renting occupation tax within the unincorporated
10 area of that governmental unit. This list shall contain only
11 the names of persons who have paid the tax and not the amount
12 of tax paid by such person.

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

15 (Source: 10000SB2641enr.)

16 Section 25. If and only if Senate Bill 2641 of the 100th
17 General Assembly becomes law in the form in which it passed the
18 General Assembly, then the Illinois Municipal Code is amended
19 by changing Section 8-11-7 as follows:

20 (65 ILCS 5/8-11-7) (from Ch. 24, par. 8-11-7)

21 Sec. 8-11-7. The corporate authorities of a municipality
22 may impose a tax upon all persons engaged in the business of
23 renting automobiles in the municipality at the rate of not to
24 exceed 1% of the gross receipts from such business. For the

1 purposes of imposing a tax under this Section, the facilitation
2 of the use of a privately-owned passenger motor vehicle ~~for use~~
3 by a person other than the vehicle's registered owner as a part
4 of a car facilitation transaction, as defined in Section
5 1-110.06 of the Illinois Vehicle Code, constitutes engaging in
6 the business of renting automobiles in the municipality. The
7 tax imposed by a municipality pursuant to this Section and all
8 civil penalties that may be assessed as an incident thereof
9 shall be collected and enforced by the State Department of
10 Revenue. The certificate of registration which is issued by the
11 Department to a retailer under the Retailers' Occupation Tax
12 Act or under the Automobile Renting Occupation and Use Tax Act
13 shall permit such person to engage in a business which is
14 taxable under any ordinance or resolution enacted pursuant to
15 this Section without registering separately with the
16 Department under such ordinance or resolution or under this
17 Section. The Department shall have full power to administer and
18 enforce this Section; to collect all taxes and penalties due
19 hereunder; to dispose of taxes and penalties so collected in
20 the manner hereinafter provided; and to determine all rights to
21 credit memoranda, arising on account of the erroneous payment
22 of tax or penalty hereunder. In the administration of, and
23 compliance with, this Section, the Department and persons who
24 are subject to this Section shall have the same rights,
25 remedies, privileges, immunities, powers and duties, and be
26 subject to the same conditions, restrictions, limitations,

1 penalties and definitions of terms, and employ the same modes
2 of procedure, as are prescribed in Sections 2 and 3 (in respect
3 to all provisions therein other than the State rate of tax; and
4 with relation to the provisions of the "Retailers' Occupation
5 Tax" referred to therein, except as to the disposition of taxes
6 and penalties collected, and except for the provision allowing
7 retailers a deduction from the tax to cover certain costs, and
8 except that credit memoranda issued hereunder may not be used
9 to discharge any State tax liability) of the Automobile Renting
10 Occupation and Use Tax Act, as fully as if those provisions
11 were set forth herein.

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

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

1 The Department shall forthwith pay over to the State
2 Treasurer, ex-officio, as trustee, all taxes and penalties
3 collected hereunder. On or before the 25th day of each calendar
4 month, the Department shall prepare and certify to the
5 Comptroller the disbursement of stated sums of money to named
6 municipalities, the municipalities to be those from which
7 renters have paid taxes or penalties hereunder to the
8 Department during the second preceding calendar month. The
9 amount to be paid to each municipality shall be the amount (not
10 including credit memoranda) collected hereunder during the
11 second preceding calendar month by the Department, and not
12 including an amount equal to the amount of refunds made during
13 the second preceding calendar month by the Department on behalf
14 of such municipality, less 1.6% of such balance, which sum
15 shall be retained by the State Treasurer to cover the costs
16 incurred by the Department in administering and enforcing this
17 Section as provided herein. The Department at the time of each
18 monthly disbursement to the municipalities shall prepare and
19 certify to the Comptroller the amount, so retained by the State
20 Treasurer, to be paid into the General Revenue Fund of the
21 State Treasury. Within 10 days after receipt, by the
22 Comptroller, of the disbursement certification to the
23 municipalities and the General Revenue Fund, provided for in
24 this Section to be given to the Comptroller by the Department,
25 the Comptroller shall cause the orders to be drawn for the
26 respective amounts in accordance with the directions contained

1 in such certification.

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

6 An ordinance or resolution imposing a tax hereunder or
7 effecting a change in the rate thereof shall be effective on
8 the first day of the calendar month next following publication
9 as provided in Section 1-2-4. The corporate authorities of any
10 municipality which levies a tax authorized by this Section
11 shall transmit to the Department of Revenue on or not later
12 than 5 days after publication a certified copy of the ordinance
13 or resolution imposing such tax whereupon the Department of
14 Revenue shall proceed to administer and enforce this Section on
15 behalf of such municipality as of the effective date of the
16 ordinance or resolution. Upon a change in rate of a tax levied
17 hereunder, or upon the discontinuance of the tax, the corporate
18 authorities of the municipality shall on or not later than 5
19 days after publication of the ordinance or resolution
20 discontinuing the tax or effecting a change in rate transmit to
21 the Department of Revenue a certified copy of the ordinance or
22 resolution effecting such change or discontinuance.

23 The Department of Revenue must upon the request of the
24 municipal clerk, city council or village board of trustees
25 submit to a city, village or incorporated town a list of those
26 persons who are registered with the Department to pay

1 automobile renting occupation tax within that governmental
2 unit. This list shall contain only the names of persons who
3 have paid the tax and not the amount of tax paid by such
4 person.

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

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

10 (Source: 10000SB2641enr.)

11 Section 30. If and only if Senate Bill 2641 of the 100th
12 General Assembly becomes law in the form in which it passed the
13 General Assembly, then the Illinois Vehicle Code is amended by
14 changing Sections 11-208.6, 11-208.8, 11-208.9, and 11-1201.1
15 as follows:

16 (625 ILCS 5/11-208.6)

17 Sec. 11-208.6. Automated traffic law enforcement system.

18 (a) As used in this Section, "automated traffic law
19 enforcement system" means a device with one or more motor
20 vehicle sensors working in conjunction with a red light signal
21 to produce recorded images of motor vehicles entering an
22 intersection against a red signal indication in violation of
23 Section 11-306 of this Code or a similar provision of a local
24 ordinance.

1 An automated traffic law enforcement system is a system, in
2 a municipality or county operated by a governmental agency,
3 that produces a recorded image of a motor vehicle's violation
4 of a provision of this Code or a local ordinance and is
5 designed to obtain a clear recorded image of the vehicle and
6 the vehicle's license plate. The recorded image must also
7 display the time, date, and location of the violation.

8 (b) As used in this Section, "recorded images" means images
9 recorded by an automated traffic law enforcement system on:

10 (1) 2 or more photographs;

11 (2) 2 or more microphotographs;

12 (3) 2 or more electronic images; or

13 (4) a video recording showing the motor vehicle and, on
14 at least one image or portion of the recording, clearly
15 identifying the registration plate number of the motor
16 vehicle.

17 (b-5) A municipality or county that produces a recorded
18 image of a motor vehicle's violation of a provision of this
19 Code or a local ordinance must make the recorded images of a
20 violation accessible to the alleged violator by providing the
21 alleged violator with a website address, accessible through the
22 Internet.

23 (c) Except as provided under Section 11-208.8 of this Code,
24 a county or municipality, including a home rule county or
25 municipality, may not use an automated traffic law enforcement
26 system to provide recorded images of a motor vehicle for the

1 purpose of recording its speed. Except as provided under
2 Section 11-208.8 of this Code, the regulation of the use of
3 automated traffic law enforcement systems to record vehicle
4 speeds is an exclusive power and function of the State. This
5 subsection (c) is a denial and limitation of home rule powers
6 and functions under subsection (h) of Section 6 of Article VII
7 of the Illinois Constitution.

8 (c-5) A county or municipality, including a home rule
9 county or municipality, may not use an automated traffic law
10 enforcement system to issue violations in instances where the
11 motor vehicle comes to a complete stop and does not enter the
12 intersection, as defined by Section 1-132 of this Code, during
13 the cycle of the red signal indication unless one or more
14 pedestrians or bicyclists are present, even if the motor
15 vehicle stops at a point past a stop line or crosswalk where a
16 driver is required to stop, as specified in subsection (c) of
17 Section 11-306 of this Code or a similar provision of a local
18 ordinance.

19 (c-6) A county, or a municipality with less than 2,000,000
20 inhabitants, including a home rule county or municipality, may
21 not use an automated traffic law enforcement system to issue
22 violations in instances where a motorcyclist enters an
23 intersection against a red signal indication when the red
24 signal fails to change to a green signal within a reasonable
25 period of time not less than 120 seconds because of a signal
26 malfunction or because the signal has failed to detect the

1 arrival of the motorcycle due to the motorcycle's size or
2 weight.

3 (d) For each violation of a provision of this Code or a
4 local ordinance recorded by an automatic traffic law
5 enforcement system, the county or municipality having
6 jurisdiction shall issue a written notice of the violation to
7 the registered owner of the vehicle as the alleged violator.
8 The notice shall be delivered to the registered owner of the
9 vehicle, by mail, within 30 days after the Secretary of State
10 notifies the municipality or county of the identity of the
11 owner of the vehicle, but in no event later than 90 days after
12 the violation.

13 The notice shall include:

14 (1) the name and address of the registered owner of the
15 vehicle;

16 (2) the registration number of the motor vehicle
17 involved in the violation;

18 (3) the violation charged;

19 (4) the location where the violation occurred;

20 (5) the date and time of the violation;

21 (6) a copy of the recorded images;

22 (7) the amount of the civil penalty imposed and the
23 requirements of any traffic education program imposed and
24 the date by which the civil penalty should be paid and the
25 traffic education program should be completed;

26 (8) a statement that recorded images are evidence of a

1 violation of a red light signal;

2 (9) a warning that failure to pay the civil penalty, to
3 complete a required traffic education program, or to
4 contest liability in a timely manner is an admission of
5 liability and may result in a suspension of the driving
6 privileges of the registered owner of the vehicle;

7 (10) a statement that the person may elect to proceed
8 by:

9 (A) paying the fine, completing a required traffic
10 education program, or both; or

11 (B) challenging the charge in court, by mail, or by
12 administrative hearing; and

13 (11) a website address, accessible through the
14 Internet, where the person may view the recorded images of
15 the violation.

16 (e) If a person charged with a traffic violation, as a
17 result of an automated traffic law enforcement system, does not
18 pay the fine or complete a required traffic education program,
19 or both, or successfully contest the civil penalty resulting
20 from that violation, the Secretary of State shall suspend the
21 driving privileges of the registered owner of the vehicle under
22 Section 6-306.5 of this Code for failing to complete a required
23 traffic education program or to pay any fine or penalty due and
24 owing, or both, as a result of a combination of 5 violations of
25 the automated traffic law enforcement system or the automated
26 speed enforcement system under Section 11-208.8 of this Code.

1 (f) Based on inspection of recorded images produced by an
2 automated traffic law enforcement system, a notice alleging
3 that the violation occurred shall be evidence of the facts
4 contained in the notice and admissible in any proceeding
5 alleging a violation under this Section.

6 (g) Recorded images made by an automatic traffic law
7 enforcement system are confidential and shall be made available
8 only to the alleged violator and governmental and law
9 enforcement agencies for purposes of adjudicating a violation
10 of this Section, for statistical purposes, or for other
11 governmental purposes. Any recorded image evidencing a
12 violation of this Section, however, may be admissible in any
13 proceeding resulting from the issuance of the citation.

14 (h) The court or hearing officer may consider in defense of
15 a violation:

16 (1) that the motor vehicle or registration plates of
17 the motor vehicle were stolen before the violation occurred
18 and not under the control of or in the possession of the
19 owner at the time of the violation;

20 (2) that the driver of the vehicle passed through the
21 intersection when the light was red either (i) in order to
22 yield the right-of-way to an emergency vehicle or (ii) as
23 part of a funeral procession; and

24 (3) any other evidence or issues provided by municipal
25 or county ordinance.

26 (i) To demonstrate that the motor vehicle or the

1 registration plates were stolen before the violation occurred
2 and were not under the control or possession of the owner at
3 the time of the violation, the owner must submit proof that a
4 report concerning the stolen motor vehicle or registration
5 plates was filed with a law enforcement agency in a timely
6 manner.

7 (j) Unless the driver of the motor vehicle received a
8 Uniform Traffic Citation from a police officer at the time of
9 the violation, the motor vehicle owner is subject to a civil
10 penalty not exceeding \$100 or the completion of a traffic
11 education program, or both, plus an additional penalty of not
12 more than \$100 for failure to pay the original penalty or to
13 complete a required traffic education program, or both, in a
14 timely manner, if the motor vehicle is recorded by an automated
15 traffic law enforcement system. A violation for which a civil
16 penalty is imposed under this Section is not a violation of a
17 traffic regulation governing the movement of vehicles and may
18 not be recorded on the driving record of the owner of the
19 vehicle.

20 (j-3) A registered owner who is a holder of a valid
21 commercial driver's license is not required to complete a
22 traffic education program.

23 (j-5) For purposes of the required traffic education
24 program only, a registered owner may submit an affidavit to the
25 court or hearing officer swearing that at the time of the
26 alleged violation, the vehicle was in the custody and control

1 of another person. The affidavit must identify the person in
2 custody and control of the vehicle, including the person's name
3 and current address. The person in custody and control of the
4 vehicle at the time of the violation is required to complete
5 the required traffic education program. If the person in
6 custody and control of the vehicle at the time of the violation
7 completes the required traffic education program, the
8 registered owner of the vehicle is not required to complete a
9 traffic education program.

10 (k) An intersection equipped with an automated traffic law
11 enforcement system must be posted with a sign visible to
12 approaching traffic indicating that the intersection is being
13 monitored by an automated traffic law enforcement system.

14 (k-3) A municipality or county that has one or more
15 intersections equipped with an automated traffic law
16 enforcement system must provide notice to drivers by posting
17 the locations of automated traffic law systems on the
18 municipality or county website.

19 (k-5) An intersection equipped with an automated traffic
20 law enforcement system must have a yellow change interval that
21 conforms with the Illinois Manual on Uniform Traffic Control
22 Devices (IMUTCD) published by the Illinois Department of
23 Transportation.

24 (k-7) A municipality or county operating an automated
25 traffic law enforcement system shall conduct a statistical
26 analysis to assess the safety impact of each automated traffic

1 law enforcement system at an intersection following
2 installation of the system. The statistical analysis shall be
3 based upon the best available crash, traffic, and other data,
4 and shall cover a period of time before and after installation
5 of the system sufficient to provide a statistically valid
6 comparison of safety impact. The statistical analysis shall be
7 consistent with professional judgment and acceptable industry
8 practice. The statistical analysis also shall be consistent
9 with the data required for valid comparisons of before and
10 after conditions and shall be conducted within a reasonable
11 period following the installation of the automated traffic law
12 enforcement system. The statistical analysis required by this
13 subsection (k-7) shall be made available to the public and
14 shall be published on the website of the municipality or
15 county. If the statistical analysis for the 36 month period
16 following installation of the system indicates that there has
17 been an increase in the rate of accidents at the approach to
18 the intersection monitored by the system, the municipality or
19 county shall undertake additional studies to determine the
20 cause and severity of the accidents, and may take any action
21 that it determines is necessary or appropriate to reduce the
22 number or severity of the accidents at that intersection.

23 (1) The compensation paid for an automated traffic law
24 enforcement system must be based on the value of the equipment
25 or the services provided and may not be based on the number of
26 traffic citations issued or the revenue generated by the

1 system.

2 (m) This Section applies only to the counties of Cook,
3 DuPage, Kane, Lake, Madison, McHenry, St. Clair, and Will and
4 to municipalities located within those counties.

5 (n) The fee for participating in a traffic education
6 program under this Section shall not exceed \$25.

7 A low-income individual required to complete a traffic
8 education program under this Section who provides proof of
9 eligibility for the federal earned income tax credit under
10 Section 32 of the Internal Revenue Code or the Illinois earned
11 income tax credit under Section 212 of the Illinois Income Tax
12 Act shall not be required to pay any fee for participating in a
13 required traffic education program.

14 (o) A municipality or county shall make a certified report
15 to the Secretary of State pursuant to Section 6-306.5 of this
16 Code whenever a registered owner of a vehicle has failed to pay
17 any fine or penalty due and owing as a result of a combination
18 of 5 offenses for automated traffic law or speed enforcement
19 system violations.

20 (p) No person who is the lessor of a motor vehicle pursuant
21 to a written lease agreement shall be liable for an automated
22 speed or traffic law enforcement system violation involving
23 such motor vehicle during the period of the lease; provided
24 that upon the request of the appropriate authority received
25 within 120 days after the violation occurred, the lessor
26 provides within 60 days after such receipt the name and address

1 of the lessee. The drivers license number of a lessee may be
2 subsequently individually requested by the appropriate
3 authority if needed for enforcement of this Section.

4 Upon the provision of information by the lessor pursuant to
5 this subsection, the county or municipality may issue the
6 violation to the lessee of the vehicle in the same manner as it
7 would issue a violation to a registered owner of a vehicle
8 pursuant to this Section, and the lessee may be held liable for
9 the violation.

10 (g) A citation issued under this Section that is dismissed
11 with respect to the registered owner of a vehicle under
12 subsection (e) of Section 30 of the Renter's Financial
13 Responsibility and Protection Act may be issued and delivered
14 by mail or other means to a car facilitation company identified
15 in the registered owner's affidavit of non-liability.

16 (Source: P.A. 97-29, eff. 1-1-12; 97-627, eff. 1-1-12; 97-672,
17 eff. 7-1-12; 97-762, eff. 7-6-12; 98-463, eff. 8-16-13.)

18 (625 ILCS 5/11-208.8)

19 Sec. 11-208.8. Automated speed enforcement systems in
20 safety zones.

21 (a) As used in this Section:

22 "Automated speed enforcement system" means a photographic
23 device, radar device, laser device, or other electrical or
24 mechanical device or devices installed or utilized in a safety
25 zone and designed to record the speed of a vehicle and obtain a

1 clear photograph or other recorded image of the vehicle and the
2 vehicle's registration plate while the driver is violating
3 Article VI of Chapter 11 of this Code or a similar provision of
4 a local ordinance.

5 An automated speed enforcement system is a system, located
6 in a safety zone which is under the jurisdiction of a
7 municipality, that produces a recorded image of a motor
8 vehicle's violation of a provision of this Code or a local
9 ordinance and is designed to obtain a clear recorded image of
10 the vehicle and the vehicle's license plate. The recorded image
11 must also display the time, date, and location of the
12 violation.

13 "Owner" means the person or entity to whom the vehicle is
14 registered.

15 "Recorded image" means images recorded by an automated
16 speed enforcement system on:

- 17 (1) 2 or more photographs;
18 (2) 2 or more microphotographs;
19 (3) 2 or more electronic images; or
20 (4) a video recording showing the motor vehicle and, on
21 at least one image or portion of the recording, clearly
22 identifying the registration plate number of the motor
23 vehicle.

24 "Safety zone" means an area that is within one-eighth of a
25 mile from the nearest property line of any public or private
26 elementary or secondary school, or from the nearest property

1 line of any facility, area, or land owned by a school district
2 that is used for educational purposes approved by the Illinois
3 State Board of Education, not including school district
4 headquarters or administrative buildings. A safety zone also
5 includes an area that is within one-eighth of a mile from the
6 nearest property line of any facility, area, or land owned by a
7 park district used for recreational purposes. However, if any
8 portion of a roadway is within either one-eighth mile radius,
9 the safety zone also shall include the roadway extended to the
10 furthest portion of the next furthest intersection. The term
11 "safety zone" does not include any portion of the roadway known
12 as Lake Shore Drive or any controlled access highway with 8 or
13 more lanes of traffic.

14 (a-5) The automated speed enforcement system shall be
15 operational and violations shall be recorded only at the
16 following times:

17 (i) if the safety zone is based upon the property line
18 of any facility, area, or land owned by a school district,
19 only on school days and no earlier than 6 a.m. and no later
20 than 8:30 p.m. if the school day is during the period of
21 Monday through Thursday, or 9 p.m. if the school day is a
22 Friday; and

23 (ii) if the safety zone is based upon the property line
24 of any facility, area, or land owned by a park district, no
25 earlier than one hour prior to the time that the facility,
26 area, or land is open to the public or other patrons, and

1 no later than one hour after the facility, area, or land is
2 closed to the public or other patrons.

3 (b) A municipality that produces a recorded image of a
4 motor vehicle's violation of a provision of this Code or a
5 local ordinance must make the recorded images of a violation
6 accessible to the alleged violator by providing the alleged
7 violator with a website address, accessible through the
8 Internet.

9 (c) Notwithstanding any penalties for any other violations
10 of this Code, the owner of a motor vehicle used in a traffic
11 violation recorded by an automated speed enforcement system
12 shall be subject to the following penalties:

13 (1) if the recorded speed is no less than 6 miles per
14 hour and no more than 10 miles per hour over the legal
15 speed limit, a civil penalty not exceeding \$50, plus an
16 additional penalty of not more than \$50 for failure to pay
17 the original penalty in a timely manner; or

18 (2) if the recorded speed is more than 10 miles per
19 hour over the legal speed limit, a civil penalty not
20 exceeding \$100, plus an additional penalty of not more than
21 \$100 for failure to pay the original penalty in a timely
22 manner.

23 A penalty may not be imposed under this Section if the
24 driver of the motor vehicle received a Uniform Traffic Citation
25 from a police officer for a speeding violation occurring within
26 one-eighth of a mile and 15 minutes of the violation that was

1 recorded by the system. A violation for which a civil penalty
2 is imposed under this Section is not a violation of a traffic
3 regulation governing the movement of vehicles and may not be
4 recorded on the driving record of the owner of the vehicle. A
5 law enforcement officer is not required to be present or to
6 witness the violation. No penalty may be imposed under this
7 Section if the recorded speed of a vehicle is 5 miles per hour
8 or less over the legal speed limit. The municipality may send,
9 in the same manner that notices are sent under this Section, a
10 speed violation warning notice where the violation involves a
11 speed of 5 miles per hour or less above the legal speed limit.

12 (d) The net proceeds that a municipality receives from
13 civil penalties imposed under an automated speed enforcement
14 system, after deducting all non-personnel and personnel costs
15 associated with the operation and maintenance of such system,
16 shall be expended or obligated by the municipality for the
17 following purposes:

18 (i) public safety initiatives to ensure safe passage
19 around schools, and to provide police protection and
20 surveillance around schools and parks, including but not
21 limited to: (1) personnel costs; and (2) non-personnel
22 costs such as construction and maintenance of public safety
23 infrastructure and equipment;

24 (ii) initiatives to improve pedestrian and traffic
25 safety;

26 (iii) construction and maintenance of infrastructure

1 within the municipality, including but not limited to roads
2 and bridges; and

3 (iv) after school programs.

4 (e) For each violation of a provision of this Code or a
5 local ordinance recorded by an automated speed enforcement
6 system, the municipality having jurisdiction shall issue a
7 written notice of the violation to the registered owner of the
8 vehicle as the alleged violator. The notice shall be delivered
9 to the registered owner of the vehicle, by mail, within 30 days
10 after the Secretary of State notifies the municipality of the
11 identity of the owner of the vehicle, but in no event later
12 than 90 days after the violation.

13 (f) The notice required under subsection (e) of this
14 Section shall include:

15 (1) the name and address of the registered owner of the
16 vehicle;

17 (2) the registration number of the motor vehicle
18 involved in the violation;

19 (3) the violation charged;

20 (4) the date, time, and location where the violation
21 occurred;

22 (5) a copy of the recorded image or images;

23 (6) the amount of the civil penalty imposed and the
24 date by which the civil penalty should be paid;

25 (7) a statement that recorded images are evidence of a
26 violation of a speed restriction;

1 (8) a warning that failure to pay the civil penalty or
2 to contest liability in a timely manner is an admission of
3 liability and may result in a suspension of the driving
4 privileges of the registered owner of the vehicle;

5 (9) a statement that the person may elect to proceed
6 by:

7 (A) paying the fine; or

8 (B) challenging the charge in court, by mail, or by
9 administrative hearing; and

10 (10) a website address, accessible through the
11 Internet, where the person may view the recorded images of
12 the violation.

13 (g) If a person charged with a traffic violation, as a
14 result of an automated speed enforcement system, does not pay
15 the fine or successfully contest the civil penalty resulting
16 from that violation, the Secretary of State shall suspend the
17 driving privileges of the registered owner of the vehicle under
18 Section 6-306.5 of this Code for failing to pay any fine or
19 penalty due and owing, or both, as a result of a combination of
20 5 violations of the automated speed enforcement system or the
21 automated traffic law under Section 11-208.6 of this Code.

22 (h) Based on inspection of recorded images produced by an
23 automated speed enforcement system, a notice alleging that the
24 violation occurred shall be evidence of the facts contained in
25 the notice and admissible in any proceeding alleging a
26 violation under this Section.

1 (i) Recorded images made by an automated speed enforcement
2 system are confidential and shall be made available only to the
3 alleged violator and governmental and law enforcement agencies
4 for purposes of adjudicating a violation of this Section, for
5 statistical purposes, or for other governmental purposes. Any
6 recorded image evidencing a violation of this Section, however,
7 may be admissible in any proceeding resulting from the issuance
8 of the citation.

9 (j) The court or hearing officer may consider in defense of
10 a violation:

11 (1) that the motor vehicle or registration plates of
12 the motor vehicle were stolen before the violation occurred
13 and not under the control or in the possession of the owner
14 at the time of the violation;

15 (2) that the driver of the motor vehicle received a
16 Uniform Traffic Citation from a police officer for a
17 speeding violation occurring within one-eighth of a mile
18 and 15 minutes of the violation that was recorded by the
19 system; and

20 (3) any other evidence or issues provided by municipal
21 ordinance.

22 (k) To demonstrate that the motor vehicle or the
23 registration plates were stolen before the violation occurred
24 and were not under the control or possession of the owner at
25 the time of the violation, the owner must submit proof that a
26 report concerning the stolen motor vehicle or registration

1 plates was filed with a law enforcement agency in a timely
2 manner.

3 (l) A roadway equipped with an automated speed enforcement
4 system shall be posted with a sign conforming to the national
5 Manual on Uniform Traffic Control Devices that is visible to
6 approaching traffic stating that vehicle speeds are being
7 photo-enforced and indicating the speed limit. The
8 municipality shall install such additional signage as it
9 determines is necessary to give reasonable notice to drivers as
10 to where automated speed enforcement systems are installed.

11 (m) A roadway where a new automated speed enforcement
12 system is installed shall be posted with signs providing 30
13 days notice of the use of a new automated speed enforcement
14 system prior to the issuance of any citations through the
15 automated speed enforcement system.

16 (n) The compensation paid for an automated speed
17 enforcement system must be based on the value of the equipment
18 or the services provided and may not be based on the number of
19 traffic citations issued or the revenue generated by the
20 system.

21 (o) A municipality shall make a certified report to the
22 Secretary of State pursuant to Section 6-306.5 of this Code
23 whenever a registered owner of a vehicle has failed to pay any
24 fine or penalty due and owing as a result of a combination of 5
25 offenses for automated speed or traffic law enforcement system
26 violations.

1 (p) No person who is the lessor of a motor vehicle pursuant
2 to a written lease agreement shall be liable for an automated
3 speed or traffic law enforcement system violation involving
4 such motor vehicle during the period of the lease; provided
5 that upon the request of the appropriate authority received
6 within 120 days after the violation occurred, the lessor
7 provides within 60 days after such receipt the name and address
8 of the lessee. The drivers license number of a lessee may be
9 subsequently individually requested by the appropriate
10 authority if needed for enforcement of this Section.

11 Upon the provision of information by the lessor pursuant to
12 this subsection, the municipality may issue the violation to
13 the lessee of the vehicle in the same manner as it would issue
14 a violation to a registered owner of a vehicle pursuant to this
15 Section, and the lessee may be held liable for the violation.

16 (q) A municipality using an automated speed enforcement
17 system must provide notice to drivers by publishing the
18 locations of all safety zones where system equipment is
19 installed on the website of the municipality.

20 (r) A municipality operating an automated speed
21 enforcement system shall conduct a statistical analysis to
22 assess the safety impact of the system. The statistical
23 analysis shall be based upon the best available crash, traffic,
24 and other data, and shall cover a period of time before and
25 after installation of the system sufficient to provide a
26 statistically valid comparison of safety impact. The

1 statistical analysis shall be consistent with professional
2 judgment and acceptable industry practice. The statistical
3 analysis also shall be consistent with the data required for
4 valid comparisons of before and after conditions and shall be
5 conducted within a reasonable period following the
6 installation of the automated traffic law enforcement system.
7 The statistical analysis required by this subsection shall be
8 made available to the public and shall be published on the
9 website of the municipality.

10 (s) This Section applies only to municipalities with a
11 population of 1,000,000 or more inhabitants.

12 (t) A citation issued under this Section that is dismissed
13 with respect to the registered owner of a vehicle under
14 subsection (e) of Section 30 of the Renter's Financial
15 Responsibility and Protection Act may be issued and delivered
16 by mail or other means to a car facilitation company identified
17 in the registered owner's affidavit of non-liability.

18 (Source: P.A. 97-672, eff. 7-1-12; 97-674, eff. 7-1-12; 98-463,
19 eff. 8-16-13.)

20 (625 ILCS 5/11-208.9)

21 Sec. 11-208.9. Automated traffic law enforcement system;
22 approaching, overtaking, and passing a school bus.

23 (a) As used in this Section, "automated traffic law
24 enforcement system" means a device with one or more motor
25 vehicle sensors working in conjunction with the visual signals

1 on a school bus, as specified in Sections 12-803 and 12-805 of
2 this Code, to produce recorded images of motor vehicles that
3 fail to stop before meeting or overtaking, from either
4 direction, any school bus stopped at any location for the
5 purpose of receiving or discharging pupils in violation of
6 Section 11-1414 of this Code or a similar provision of a local
7 ordinance.

8 An automated traffic law enforcement system is a system, in
9 a municipality or county operated by a governmental agency,
10 that produces a recorded image of a motor vehicle's violation
11 of a provision of this Code or a local ordinance and is
12 designed to obtain a clear recorded image of the vehicle and
13 the vehicle's license plate. The recorded image must also
14 display the time, date, and location of the violation.

15 (b) As used in this Section, "recorded images" means images
16 recorded by an automated traffic law enforcement system on:

17 (1) 2 or more photographs;

18 (2) 2 or more microphotographs;

19 (3) 2 or more electronic images; or

20 (4) a video recording showing the motor vehicle and, on
21 at least one image or portion of the recording, clearly
22 identifying the registration plate number of the motor
23 vehicle.

24 (c) A municipality or county that produces a recorded image
25 of a motor vehicle's violation of a provision of this Code or a
26 local ordinance must make the recorded images of a violation

1 accessible to the alleged violator by providing the alleged
2 violator with a website address, accessible through the
3 Internet.

4 (d) For each violation of a provision of this Code or a
5 local ordinance recorded by an automated traffic law
6 enforcement system, the county or municipality having
7 jurisdiction shall issue a written notice of the violation to
8 the registered owner of the vehicle as the alleged violator.
9 The notice shall be delivered to the registered owner of the
10 vehicle, by mail, within 30 days after the Secretary of State
11 notifies the municipality or county of the identity of the
12 owner of the vehicle, but in no event later than 90 days after
13 the violation.

14 (e) The notice required under subsection (d) shall include:

15 (1) the name and address of the registered owner of the
16 vehicle;

17 (2) the registration number of the motor vehicle
18 involved in the violation;

19 (3) the violation charged;

20 (4) the location where the violation occurred;

21 (5) the date and time of the violation;

22 (6) a copy of the recorded images;

23 (7) the amount of the civil penalty imposed and the
24 date by which the civil penalty should be paid;

25 (8) a statement that recorded images are evidence of a
26 violation of overtaking or passing a school bus stopped for

1 the purpose of receiving or discharging pupils;

2 (9) a warning that failure to pay the civil penalty or
3 to contest liability in a timely manner is an admission of
4 liability and may result in a suspension of the driving
5 privileges of the registered owner of the vehicle;

6 (10) a statement that the person may elect to proceed
7 by:

8 (A) paying the fine; or

9 (B) challenging the charge in court, by mail, or by
10 administrative hearing; and

11 (11) a website address, accessible through the
12 Internet, where the person may view the recorded images of
13 the violation.

14 (f) If a person charged with a traffic violation, as a
15 result of an automated traffic law enforcement system under
16 this Section, does not pay the fine or successfully contest the
17 civil penalty resulting from that violation, the Secretary of
18 State shall suspend the driving privileges of the registered
19 owner of the vehicle under Section 6-306.5 of this Code for
20 failing to pay any fine or penalty due and owing as a result of
21 a combination of 5 violations of the automated traffic law
22 enforcement system or the automated speed enforcement system
23 under Section 11-208.8 of this Code.

24 (g) Based on inspection of recorded images produced by an
25 automated traffic law enforcement system, a notice alleging
26 that the violation occurred shall be evidence of the facts

1 contained in the notice and admissible in any proceeding
2 alleging a violation under this Section.

3 (h) Recorded images made by an automated traffic law
4 enforcement system are confidential and shall be made available
5 only to the alleged violator and governmental and law
6 enforcement agencies for purposes of adjudicating a violation
7 of this Section, for statistical purposes, or for other
8 governmental purposes. Any recorded image evidencing a
9 violation of this Section, however, may be admissible in any
10 proceeding resulting from the issuance of the citation.

11 (i) The court or hearing officer may consider in defense of
12 a violation:

13 (1) that the motor vehicle or registration plates of
14 the motor vehicle were stolen before the violation occurred
15 and not under the control of or in the possession of the
16 owner at the time of the violation;

17 (2) that the driver of the motor vehicle received a
18 Uniform Traffic Citation from a police officer for a
19 violation of Section 11-1414 of this Code within one-eighth
20 of a mile and 15 minutes of the violation that was recorded
21 by the system;

22 (3) that the visual signals required by Sections 12-803
23 and 12-805 of this Code were damaged, not activated, not
24 present in violation of Sections 12-803 and 12-805, or
25 inoperable; and

26 (4) any other evidence or issues provided by municipal

1 or county ordinance.

2 (j) To demonstrate that the motor vehicle or the
3 registration plates were stolen before the violation occurred
4 and were not under the control or possession of the owner at
5 the time of the violation, the owner must submit proof that a
6 report concerning the stolen motor vehicle or registration
7 plates was filed with a law enforcement agency in a timely
8 manner.

9 (k) Unless the driver of the motor vehicle received a
10 Uniform Traffic Citation from a police officer at the time of
11 the violation, the motor vehicle owner is subject to a civil
12 penalty not exceeding \$150 for a first time violation or \$500
13 for a second or subsequent violation, plus an additional
14 penalty of not more than \$100 for failure to pay the original
15 penalty in a timely manner, if the motor vehicle is recorded by
16 an automated traffic law enforcement system. A violation for
17 which a civil penalty is imposed under this Section is not a
18 violation of a traffic regulation governing the movement of
19 vehicles and may not be recorded on the driving record of the
20 owner of the vehicle, but may be recorded by the municipality
21 or county for the purpose of determining if a person is subject
22 to the higher fine for a second or subsequent offense.

23 (l) A school bus equipped with an automated traffic law
24 enforcement system must be posted with a sign indicating that
25 the school bus is being monitored by an automated traffic law
26 enforcement system.

1 (m) A municipality or county that has one or more school
2 buses equipped with an automated traffic law enforcement system
3 must provide notice to drivers by posting a list of school
4 districts using school buses equipped with an automated traffic
5 law enforcement system on the municipality or county website.
6 School districts that have one or more school buses equipped
7 with an automated traffic law enforcement system must provide
8 notice to drivers by posting that information on their
9 websites.

10 (n) A municipality or county operating an automated traffic
11 law enforcement system shall conduct a statistical analysis to
12 assess the safety impact in each school district using school
13 buses equipped with an automated traffic law enforcement system
14 following installation of the system. The statistical analysis
15 shall be based upon the best available crash, traffic, and
16 other data, and shall cover a period of time before and after
17 installation of the system sufficient to provide a
18 statistically valid comparison of safety impact. The
19 statistical analysis shall be consistent with professional
20 judgment and acceptable industry practice. The statistical
21 analysis also shall be consistent with the data required for
22 valid comparisons of before and after conditions and shall be
23 conducted within a reasonable period following the
24 installation of the automated traffic law enforcement system.
25 The statistical analysis required by this subsection shall be
26 made available to the public and shall be published on the

1 website of the municipality or county. If the statistical
2 analysis for the 36-month period following installation of the
3 system indicates that there has been an increase in the rate of
4 accidents at the approach to school buses monitored by the
5 system, the municipality or county shall undertake additional
6 studies to determine the cause and severity of the accidents,
7 and may take any action that it determines is necessary or
8 appropriate to reduce the number or severity of the accidents
9 involving school buses equipped with an automated traffic law
10 enforcement system.

11 (o) The compensation paid for an automated traffic law
12 enforcement system must be based on the value of the equipment
13 or the services provided and may not be based on the number of
14 traffic citations issued or the revenue generated by the
15 system.

16 (p) No person who is the lessor of a motor vehicle pursuant
17 to a written lease agreement shall be liable for an automated
18 speed or traffic law enforcement system violation involving
19 such motor vehicle during the period of the lease; provided
20 that upon the request of the appropriate authority received
21 within 120 days after the violation occurred, the lessor
22 provides within 60 days after such receipt the name and address
23 of the lessee. The drivers license number of a lessee may be
24 subsequently individually requested by the appropriate
25 authority if needed for enforcement of this Section.

26 Upon the provision of information by the lessor pursuant to

1 this subsection, the county or municipality may issue the
2 violation to the lessee of the vehicle in the same manner as it
3 would issue a violation to a registered owner of a vehicle
4 pursuant to this Section, and the lessee may be held liable for
5 the violation.

6 (q) A municipality or county shall make a certified report
7 to the Secretary of State pursuant to Section 6-306.5 of this
8 Code whenever a registered owner of a vehicle has failed to pay
9 any fine or penalty due and owing as a result of a combination
10 of 5 offenses for automated traffic law or speed enforcement
11 system violations.

12 (r) After a municipality or county enacts an ordinance
13 providing for automated traffic law enforcement systems under
14 this Section, each school district within that municipality or
15 county's jurisdiction may implement an automated traffic law
16 enforcement system under this Section. The elected school board
17 for that district must approve the implementation of an
18 automated traffic law enforcement system. The school district
19 shall be responsible for entering into a contract, approved by
20 the elected school board of that district, with vendors for the
21 installation, maintenance, and operation of the automated
22 traffic law enforcement system. The school district must enter
23 into an intergovernmental agreement, approved by the elected
24 school board of that district, with the municipality or county
25 with jurisdiction over that school district for the
26 administration of the automated traffic law enforcement

1 system. The proceeds from a school district's automated traffic
2 law enforcement system's fines shall be divided equally between
3 the school district and the municipality or county
4 administering the automated traffic law enforcement system.

5 (s) A citation issued under this Section that is dismissed
6 with respect to the registered owner of a vehicle under
7 subsection (e) of Section 30 of the Renter's Financial
8 Responsibility and Protection Act may be issued and delivered
9 by mail or other means to a car facilitation company identified
10 in the registered owner's affidavit of non-liability.

11 (Source: P.A. 98-556, eff. 1-1-14.)

12 (625 ILCS 5/11-1201.1)

13 Sec. 11-1201.1. Automated Railroad Crossing Enforcement
14 System.

15 (a) For the purposes of this Section, an automated railroad
16 grade crossing enforcement system is a system in a municipality
17 or county operated by a governmental agency that produces a
18 recorded image of a motor vehicle's violation of a provision of
19 this Code or local ordinance and is designed to obtain a clear
20 recorded image of the vehicle and vehicle's license plate. The
21 recorded image must also display the time, date, and location
22 of the violation.

23 As used in this Section, "recorded images" means images
24 recorded by an automated railroad grade crossing enforcement
25 system on:

- 1 (1) 2 or more photographs;
- 2 (2) 2 or more microphotographs;
- 3 (3) 2 or more electronic images; or
- 4 (4) a video recording showing the motor vehicle and, on
- 5 at least one image or portion of the recording, clearly
- 6 identifying the registration plate number of the motor
- 7 vehicle.

8 (b) The Illinois Commerce Commission may, in cooperation
9 with a local law enforcement agency, establish in any county or
10 municipality an automated railroad grade crossing enforcement
11 system at any railroad grade crossing equipped with a crossing
12 gate designated by local authorities. Local authorities
13 desiring the establishment of an automated railroad crossing
14 enforcement system must initiate the process by enacting a
15 local ordinance requesting the creation of such a system. After
16 the ordinance has been enacted, and before any additional steps
17 toward the establishment of the system are undertaken, the
18 local authorities and the Commission must agree to a plan for
19 obtaining, from any combination of federal, State, and local
20 funding sources, the moneys required for the purchase and
21 installation of any necessary equipment.

22 (b-1) (Blank.)

23 (c) For each violation of Section 11-1201 of this Code or a
24 local ordinance recorded by an automated railroad grade
25 crossing enforcement system, the county or municipality having
26 jurisdiction shall issue a written notice of the violation to

1 the registered owner of the vehicle as the alleged violator.
2 The notice shall be delivered to the registered owner of the
3 vehicle, by mail, no later than 90 days after the violation.

4 The notice shall include:

5 (1) the name and address of the registered owner of the
6 vehicle;

7 (2) the registration number of the motor vehicle
8 involved in the violation;

9 (3) the violation charged;

10 (4) the location where the violation occurred;

11 (5) the date and time of the violation;

12 (6) a copy of the recorded images;

13 (7) the amount of the civil penalty imposed and the
14 date by which the civil penalty should be paid;

15 (8) a statement that recorded images are evidence of a
16 violation of a railroad grade crossing;

17 (9) a warning that failure to pay the civil penalty or
18 to contest liability in a timely manner is an admission of
19 liability and may result in a suspension of the driving
20 privileges of the registered owner of the vehicle; and

21 (10) a statement that the person may elect to proceed
22 by:

23 (A) paying the fine; or

24 (B) challenging the charge in court, by mail, or by
25 administrative hearing.

26 (d) If a person charged with a traffic violation, as a

1 result of an automated railroad grade crossing enforcement
2 system, does not pay or successfully contest the civil penalty
3 resulting from that violation, the Secretary of State shall
4 suspend the driving privileges of the registered owner of the
5 vehicle under Section 6-306.5 of this Code for failing to pay
6 any fine or penalty due and owing as a result of 5 violations
7 of the automated railroad grade crossing enforcement system.

8 (d-1) (Blank.)

9 (d-2) (Blank.)

10 (e) Based on inspection of recorded images produced by an
11 automated railroad grade crossing enforcement system, a notice
12 alleging that the violation occurred shall be evidence of the
13 facts contained in the notice and admissible in any proceeding
14 alleging a violation under this Section.

15 (e-1) Recorded images made by an automated railroad grade
16 crossing enforcement system are confidential and shall be made
17 available only to the alleged violator and governmental and law
18 enforcement agencies for purposes of adjudicating a violation
19 of this Section, for statistical purposes, or for other
20 governmental purposes. Any recorded image evidencing a
21 violation of this Section, however, may be admissible in any
22 proceeding resulting from the issuance of the citation.

23 (e-2) The court or hearing officer may consider the
24 following in the defense of a violation:

25 (1) that the motor vehicle or registration plates of
26 the motor vehicle were stolen before the violation occurred

1 and not under the control of or in the possession of the
2 owner at the time of the violation;

3 (2) that the driver of the motor vehicle received a
4 Uniform Traffic Citation from a police officer at the time
5 of the violation for the same offense;

6 (3) any other evidence or issues provided by municipal
7 or county ordinance.

8 (e-3) To demonstrate that the motor vehicle or the
9 registration plates were stolen before the violation occurred
10 and were not under the control or possession of the owner at
11 the time of the violation, the owner must submit proof that a
12 report concerning the stolen motor vehicle or registration
13 plates was filed with a law enforcement agency in a timely
14 manner.

15 (f) Rail crossings equipped with an automatic railroad
16 grade crossing enforcement system shall be posted with a sign
17 visible to approaching traffic stating that the railroad grade
18 crossing is being monitored, that citations will be issued, and
19 the amount of the fine for violation.

20 (g) The compensation paid for an automated railroad grade
21 crossing enforcement system must be based on the value of the
22 equipment or the services provided and may not be based on the
23 number of citations issued or the revenue generated by the
24 system.

25 (h) (Blank.)

26 (i) If any part or parts of this Section are held by a

1 court of competent jurisdiction to be unconstitutional, the
2 unconstitutionality shall not affect the validity of the
3 remaining parts of this Section. The General Assembly hereby
4 declares that it would have passed the remaining parts of this
5 Section if it had known that the other part or parts of this
6 Section would be declared unconstitutional.

7 (j) Penalty. A civil fine of \$250 shall be imposed for a
8 first violation of this Section, and a civil fine of \$500 shall
9 be imposed for a second or subsequent violation of this
10 Section.

11 (k) A citation issued under this Section that is dismissed
12 with respect to the registered owner of a vehicle under
13 subsection (e) of Section 30 of the Renter's Financial
14 Responsibility and Protection Act may be issued and delivered
15 by mail or other means to a car facilitation company identified
16 in the registered owner's affidavit of non-liability.

17 (Source: P.A. 96-478, eff. 1-1-10.)

18 Section 35. If and only if Senate Bill 2641 of the 100th
19 General Assembly becomes law in the form in which it passed the
20 General Assembly, then the Automated Traffic Control Systems in
21 Highway Construction or Maintenance Zones Act is amended by
22 changing Section 45 as follows:

23 (625 ILCS 7/45)

24 Sec. 45. Vehicle rental or leasing company's

1 identification of a renter or lessee.

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

5 (1) the company responds to the Uniform Traffic
6 Citation by submitting, within 30 days of the mailing of
7 the citation, an affidavit of non-liability stating that,
8 at the time of the alleged speeding or other traffic
9 violation, the vehicle was in the custody and control of a
10 renter or lessee under the terms of a rental agreement or
11 lease; and

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

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

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

1 (2) the registered owner provides proof of the
2 transaction facilitated by the car facilitation company
3 between the registered owner of the vehicle and the driver
4 of the vehicle during the alleged violation.

5 (b) A Uniform Traffic Citation dismissed with respect to a
6 motor vehicle rental or leasing company in accordance with
7 subsection (a) may then be issued and delivered by mail or
8 other means to the renter or lessee identified in the affidavit
9 of non-liability.

10 (c) A Uniform Traffic Citation that is dismissed with
11 respect to the registered owner of a vehicle under subsection
12 (a-5) may be issued and delivered by mail or other means to the
13 car facilitation company identified in the registered owner's
14 affidavit of non-liability.

15 (Source: 10000SB2641enr.)

16 Section 40. If and only if Senate Bill 2641 of the 100th
17 General Assembly becomes law in the form in which it passed the
18 General Assembly, then the Renter's Financial Responsibility
19 and Protection Act is amended by changing Section 30 as
20 follows:

21 (625 ILCS 27/30)

22 Sec. 30. Car facilitation company liabilities and
23 obligations ~~Car facilitation company obligations and~~
24 ~~liability.~~

1 (a) Except as provided in this Section, a car facilitation
2 company shall assume the liability of a shared vehicle owner
3 for any bodily injury or property damage to third parties or
4 uninsured and underinsured motorist or personal injury
5 protection losses during the car facilitation transaction in an
6 amount stated in the car facilitation company agreement, which
7 may not be less than an amount set forth in Sections 9-103,
8 9-104, and 9-105 of the Illinois Vehicle Code. For purposes of
9 this Section, "shared vehicle owner" means the registered owner
10 of a motor vehicle made available for sharing to a shared
11 vehicle driver through a car facilitation transaction.

12 A car facilitation company continues to be liable until the
13 vehicle is returned to a location designated by the company,
14 and one of the following occur:

15 (1) the expiration of the car facilitation period
16 established for the vehicle occurs;

17 (2) the intent to terminate the vehicle's car
18 facilitation transaction is verifiably communicated to the
19 company; or

20 (3) the vehicle's registered owner takes possession
21 and control of the vehicle.

22 If any loss giving rise to a claim occurs, the car
23 facilitation company shall initially assume liability for a
24 claim in which a dispute exists as to who was in control of the
25 vehicle and seek indemnification if it is later determined that
26 the registered owner was in possession of the vehicle.

1 The assumption of liability under this Section does not
2 apply if the shared vehicle owner made an intentional or
3 fraudulent material misrepresentation to the car facilitation
4 company before the car facilitation transaction in which the
5 loss occurred.

6 (b) Nothing in subsection (a) limits:

7 (1) the liability of the car facilitation company for
8 any act or omission of the car facilitation company itself
9 that results in injury to any person as a result of the use
10 of a shared motor vehicle through a car facilitation
11 company; or

12 (2) the ability of the car facilitation company to, by
13 contract, seek indemnification from the shared vehicle
14 owner or the shared vehicle driver for economic loss
15 sustained by the car facilitation company resulting from a
16 breach of the terms and conditions of the car facilitation
17 company agreement.

18 (c) Each car facilitation company agreement made with
19 respect to a car facilitation transaction in this State shall
20 disclose to the shared vehicle owner and the shared vehicle
21 driver:

22 (1) any right of the car facilitation company to seek
23 indemnification from the shared vehicle owner or the shared
24 vehicle driver for economic loss sustained by the car
25 facilitation company resulting from a breach of the terms
26 and conditions of the car facilitation company agreement;

1 (2) that a motor vehicle liability insurance policy
2 issued to the shared vehicle owner for the shared motor
3 vehicle or to the shared vehicle driver does not provide a
4 defense or indemnification for any claim asserted by the
5 car facilitation company;

6 (3) that the car facilitation company's insurance
7 coverage on the shared vehicle owner and the shared vehicle
8 driver is in effect only during each car facilitation
9 transaction and that, for any use of the shared motor
10 vehicle by the shared vehicle driver after the car
11 facilitation transaction termination time, the shared
12 vehicle driver and the shared vehicle owner should contact
13 the shared vehicle driver's or the shared vehicle owner's
14 insurer regarding insurance coverage;

15 (4) the daily rate and fees, if applicable, of any
16 insurance or protection package costs that are charged to
17 the shared vehicle owner or the shared vehicle driver;

18 (5) that the shared vehicle owner's motor vehicle
19 liability insurance may not provide coverage for a shared
20 motor vehicle; and

21 (6) an emergency telephone number to personnel capable
22 of fielding roadside assistance and other customer service
23 inquiries.

24 (d) When a vehicle owner registers as a shared vehicle
25 owner on a car facilitation company and before the shared
26 vehicle owner makes a shared motor vehicle available for car

1 sharing on the car facilitation company, the car facilitation
2 company shall notify the shared vehicle owner that, if the
3 shared motor vehicle has a lien against it, the use of the
4 shared motor vehicle through a car facilitation company,
5 including use without physical damage coverage, may violate the
6 terms of the contract with the lienholder.

7 (e) A car facilitation company shall ensure that, during
8 each car sharing period, the shared vehicle owner and the
9 shared vehicle driver are insured under a motor vehicle
10 liability insurance policy that:

11 (1) recognizes that the vehicle insured under the
12 policy is made available and used through a car
13 facilitation company; and

14 (2) provides insurance coverage in amounts no less than
15 the minimum amounts set forth in Sections 9-103, 9-104, and
16 9-105 of the Illinois Vehicle Code.

17 (f) The insurance described under subsection (e) may be
18 satisfied by motor vehicle liability insurance maintained by:

19 (1) a shared vehicle owner;

20 (2) a shared vehicle driver;

21 (3) a car facilitation company; or

22 (4) a shared vehicle owner, a shared vehicle driver,
23 and a car facilitation company together.

24 The insurance described in this subsection that satisfies
25 the insurance requirement of subsection (e) shall be primary
26 during each car facilitation transaction.

1 (g) An authorized insurer that writes motor vehicle
2 liability insurance in this State may exclude any and all
3 coverage and the duty to defend or indemnify any claim afforded
4 under a shared vehicle owner's personal motor vehicle liability
5 insurance policy. Nothing in this Act invalidates or limits an
6 exclusion contained in a motor vehicle liability insurance
7 policy, including any insurance policy in use or approved for
8 use that excludes coverage for motor vehicles made available
9 for rent, sharing, or hire or for any business use.

10 (h) No policy of personal private passenger automobile
11 liability insurance shall be canceled, voided, terminated,
12 rescinded, or nonrenewed solely on the basis that the vehicle
13 has been made available for car sharing pursuant to a car
14 facilitation transaction that is in compliance with this Act.

15 (i) A car facilitation company may not enter into a car
16 facilitation transaction agreement with a driver unless the
17 driver who will operate the shared motor vehicle is duly
18 licensed under Chapter 6 of the Illinois Vehicle Code or, in
19 the case of a nonresident, duly licensed under the laws of the
20 State or country of his or her residence unless the State or
21 country of his or her residence does not require that a driver
22 be licensed.

23 (j) A car facilitation company shall keep a record of the
24 registration number of the shared motor vehicle, the name and
25 address of the shared vehicle driver, the driver's license
26 number, if any, of the shared vehicle driver, and the place

1 where the license, if any, was issued. The record shall be open
2 to inspection by any officer or designated agent of the
3 Secretary of State.

4 (k) A car facilitation company shall have sole
5 responsibility for any equipment, such as a GPS system or other
6 special equipment, that is put in or on the vehicle to monitor
7 or facilitate the car facilitation transaction and shall agree
8 to indemnify and hold harmless the vehicle owner for any damage
9 to or theft of such equipment, except to the extent the damage
10 or theft was caused directly by the vehicle's owner.

11 (l) The car facilitation company shall collect and verify
12 records pertaining to the use of a shared motor vehicle,
13 including, but not limited to, times used, fees paid by the
14 shared vehicle driver, and revenues received by the shared
15 vehicle owner, and provide that information upon request to the
16 shared vehicle owner, the shared vehicle owner's insurer, or
17 the shared vehicle driver's insurer to facilitate a claim
18 coverage investigation. The car facilitation company shall
19 retain the records for a reasonable period after the expiration
20 of the applicable personal injury statute of limitations.

21 (m) A car facilitation company and a shared vehicle owner
22 shall be exempt from vicarious liability in accordance with 49
23 U.S.C. 30106 and under any State or local law that imposes
24 liability solely based on vehicle ownership.

25 (n) A motor vehicle insurer that defends or indemnifies a
26 claim against a shared motor vehicle that is excluded under the

1 terms of its policy shall have the right to seek contribution
2 against the motor vehicle insurer of the car facilitation
3 company if the claim is:

4 (1) made against the shared vehicle owner or the shared
5 vehicle driver for loss or injury that occurs during the
6 car facilitation transaction; and

7 (2) excluded under the terms of its policy.

8 (o) A car facilitation company may not be considered to be
9 a motor vehicle rental company under Section 6-305.3 of the
10 Illinois Vehicle Code.

11 (p) Notwithstanding any other law, statute, rule, or
12 regulation to the contrary, a car facilitation company shall
13 have an insurable interest in a shared motor vehicle during the
14 car facilitation transaction.

15 (q) A citation for a violation of Section 11-208.6,
16 11-208.8, 11-208.9, or 11-1201.1 of the Illinois Vehicle Code
17 that is dismissed with respect to the registered owner of a
18 vehicle under subsection (r) of this Section may be issued and
19 delivered by mail or other means to the car facilitation
20 company identified in the registered owner's affidavit of
21 non-liability.

22 (r) Notwithstanding any provision to the contrary, for the
23 purpose of the issuance of a civil penalty for a violation of
24 Section 11-208.6, 11-208.8, 11-208.9, or 11-1201.1 of the
25 Illinois Vehicle Code, the violation shall be dismissed with
26 respect to the registered owner of the vehicle, and the car

1 facilitation company shall be considered the vehicle's owner
2 for purposes of the violation, if:

3 (1) the registered owner responds to the citation by
4 submitting, within 30 days of the mailing of the citation,
5 an affidavit of non-liability stating that, at the time of
6 the alleged violation, the vehicle was under the operation
7 and control of a person other than the vehicle's registered
8 owner under a car facilitation transaction facilitated by a
9 car facilitation company; and

10 (2) the registered owner provides proof of the
11 transaction facilitated by the car facilitation company
12 with the driver of his or her vehicle during the alleged
13 violation.

14 (s) Except as otherwise provided in this Section or in
15 Section 45 of the Automated Traffic Control Systems in Highway
16 Construction or Maintenance Zones Act, nothing in this
17 subsection shall be construed to relieve the registered owner
18 of the vehicle from any liability imposed by any ordinance or
19 resolution of a unit of local government.

20 ~~(a) Notwithstanding any provision to the contrary, a rental~~
21 ~~company that is a car facilitation company shall, when~~
22 ~~applicable, be subject to the statutory and regulatory~~
23 ~~obligations pertaining to all motor vehicle rental companies.~~

24 ~~(b) If any loss or injury occurs at any time a vehicle is~~
25 ~~under the operation and control of a person other than the~~
26 ~~vehicle's registered owner under a car facilitation~~

1 ~~transaction facilitated by a car facilitation company, the~~
2 ~~company shall assume all liability of the registered owner of~~
3 ~~the vehicle used in the car facilitation transaction and shall~~
4 ~~be considered the vehicle's owner for all purposes.~~

5 ~~(c) A car facilitation company continues to be liable under~~
6 ~~subsection (b) of this Section until the vehicle is returned to~~
7 ~~a location designated by the company, and one of the following~~
8 ~~occur:~~

9 ~~(1) the expiration of the car facilitation period~~
10 ~~established for the vehicle occurs;~~

11 ~~(2) the intent to terminate the vehicle's car~~
12 ~~facilitation transaction is verifiably communicated to the~~
13 ~~company; or~~

14 ~~(3) the vehicle's registered owner takes possession~~
15 ~~and control of the vehicle.~~

16 ~~If any loss giving rise to a claim occurs, the car~~
17 ~~facilitation company shall initially assume liability for a~~
18 ~~claim in which a dispute exists as to who was in control of the~~
19 ~~vehicle and seek indemnification if it is later determined that~~
20 ~~the registered owner was in possession of the vehicle.~~

21 ~~(d) At no time shall the registered owner of the vehicle or~~
22 ~~the owner's insurer be held liable for any loss, injury,~~
23 ~~damage, or violation involving his or her vehicle occurring~~
24 ~~during a car facilitation transaction unless it is shown that~~
25 ~~the registered owner was operating or in control of the vehicle~~
26 ~~at the time of the loss, injury, damage, or violation.~~

1 ~~(c) Notwithstanding any provision to the contrary, for the~~
2 ~~purpose of the issuance of a civil penalty for a violation of~~
3 ~~Section 11-208.6, 11-208.8, 11-208.9, or 11-1201.1 of the~~
4 ~~Illinois Vehicle Code, the violation shall be dismissed with~~
5 ~~respect to the registered owner of the vehicle, and the car~~
6 ~~facilitation company shall be considered the vehicle's owner~~
7 ~~for purposes of violation, if:~~

8 ~~(1) the registered owner responds to the citation by~~
9 ~~submitting, within 30 days of the mailing of the citation,~~
10 ~~an affidavit of non-liability stating that, at the time of~~
11 ~~the alleged violation, the vehicle was under the operation~~
12 ~~and control of a person other than the vehicle's registered~~
13 ~~owner under a car facilitation transaction facilitated by a~~
14 ~~car facilitation company; and~~

15 ~~(2) the registered owner provides proof of the~~
16 ~~transaction facilitated by the car facilitation company~~
17 ~~with the driver of his or her vehicle during the alleged~~
18 ~~violation.~~

19 ~~(f) Nothing in this Section shall limit the liability of~~
20 ~~the car facilitation company for any acts or omissions by the~~
21 ~~company that result in injury to any persons as a result of the~~
22 ~~use or operation of a vehicle during a car facilitation~~
23 ~~transaction.~~

24 ~~(g) For the purpose of the allocation of liability for a~~
25 ~~private passenger vehicle used in relation to a motor vehicle~~
26 ~~rental company that is a car facilitation company, as defined~~

1 ~~in Section 1-110.05 of the Illinois Vehicle Code, the car~~
2 ~~facilitation company shall assume liability if any damage to~~
3 ~~the vehicle occurs:~~

4 ~~(1) at any time when the vehicle is not in possession~~
5 ~~of the vehicle's registered owner and at the car~~
6 ~~facilitation company's designated location or other~~
7 ~~location designated for the car facilitation transaction~~
8 ~~while being made available to rent;~~

9 ~~(2) under the operation and control of a person other~~
10 ~~than the vehicle's registered owner under a car~~
11 ~~facilitation transaction facilitated by that company; or~~

12 ~~(3) at the car facilitation company's designated area~~
13 ~~or other location designated for the car facilitation~~
14 ~~transaction not being made available to rent, but not yet~~
15 ~~in the possession of the vehicle's registered owner.~~

16 ~~Nothing in this subsection (g) prevents a car facilitation~~
17 ~~company from holding a renter in a car facilitation transaction~~
18 ~~liable to the extent permitted under this Section.~~

19 ~~A car facilitation company continues to be liable under~~
20 ~~this subsection (g) until the end of the car facilitation~~
21 ~~transaction as described in subsection (e) of this Section or~~
22 ~~as described in this subsection (g). At no time shall the~~
23 ~~registered owner of the vehicle or the owner's insurer be~~
24 ~~liable for any exposure, including negligent entrustment, of~~
25 ~~the vehicle involved in a car facilitation transaction.~~

26 ~~(h) Notwithstanding any other law and unless otherwise~~

1 ~~excluded, an owner's insurer may exclude any and all coverage~~
2 ~~and the duty to defend or indemnify for any claim made under a~~
3 ~~car facilitation transaction.~~

4 ~~(i) An owner's insurer that defends or indemnifies a claim~~
5 ~~against its insured that is determined to be excluded under the~~
6 ~~terms of its policy shall have the right to seek contribution~~
7 ~~against the insurer of the car facilitation company, if the~~
8 ~~claim is:~~

9 ~~(1) made against the registered owner of the vehicle or~~
10 ~~renter in the car facilitation transaction for loss or~~
11 ~~injury that occurs during the car facilitation~~
12 ~~transaction; and~~

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

14 ~~(j) Nothing in this Section invalidates or limits an~~
15 ~~exclusion contained in an owner's insurance policy for any~~
16 ~~coverage included in the policy.~~

17 ~~(k) An owner's insurer may deny issuance of, cancel, void,~~
18 ~~terminate, rescind, or deny renewal of an insurance policy~~
19 ~~covering a motor vehicle that has been made available for a car~~
20 ~~facilitation transaction if the applicant or policyholder of~~
21 ~~the insurance policy fails to provide complete and accurate~~
22 ~~information about the use of a motor vehicle through a car~~
23 ~~facilitation transaction as requested by the insurer during the~~
24 ~~application or renewal process of the insurance policy.~~

25 ~~(l) Nothing in this Section requires any owner's insurance~~
26 ~~policy to:~~

1 ~~(1) provide primary or excess coverage during the car~~
2 ~~facilitation transaction;~~

3 ~~(2) imply that any insurance policy provides coverage~~
4 ~~for a motor vehicle during the car facilitation~~
5 ~~transaction; or~~

6 ~~(3) preclude an insurer from providing coverage for a~~
7 ~~vehicle while the vehicle is made available or used through~~
8 ~~a car facilitation transaction if the insurer elects to do~~
9 ~~so by contract or endorsement.~~

10 ~~(m) The car facilitation company shall collect and verify~~
11 ~~records pertaining to the use of a vehicle, including, but not~~
12 ~~limited to, times used, fees paid by the rentor, and revenues~~
13 ~~received by the vehicle owner, and provide that information~~
14 ~~upon request to the registered vehicle owner, the owner's~~
15 ~~insurer, or and the insurer of a person operating the vehicle~~
16 ~~during the car facilitation transaction when a claim has been~~
17 ~~made against an insured involving a dispute as to whether the~~
18 ~~insurer's policy of the registered vehicle owner or the person~~
19 ~~operating the vehicle and shall retain the records for a~~
20 ~~reasonable period after the expiration of the applicable~~
21 ~~personal injury statute of limitations.~~

22 ~~(n) The car facilitation company shall have sole~~
23 ~~responsibility for any equipment, such as a GPS system or other~~
24 ~~special equipment, that is put in or on the vehicle to monitor~~
25 ~~or facilitate the transaction, and shall agree to indemnify and~~
26 ~~hold harmless the vehicle owner for any damage to or theft of~~

1 ~~such equipment.~~

2 ~~(e) The car facilitation company shall:~~

3 ~~(1) verify that the registered vehicle does not have~~
4 ~~any safety recalls on the vehicle for which the repairs~~
5 ~~have not been made; and~~

6 ~~(2) notify the owner of the registered vehicle of the~~
7 ~~requirements under subsection (p) of this Section.~~

8 ~~(p) If the registered vehicle owner has received an actual~~
9 ~~notice of a safety recall on the motor vehicle, the vehicle's~~
10 ~~registered owner may not make the motor vehicle available~~
11 ~~through the car facilitation company until the safety recall~~
12 ~~repair has been made.~~

13 ~~If the vehicle's registered owner receives an actual notice~~
14 ~~of a safety recall on a registered vehicle while the registered~~
15 ~~vehicle is made available or in use through the car~~
16 ~~facilitation company, the registered vehicle owner shall~~
17 ~~remove the shared motor vehicle from participation as soon as~~
18 ~~practicably possible, but no later than 72 hours after~~
19 ~~receiving the notice of the safety recall and shall not allow~~
20 ~~the vehicle to be used in a car facilitation transaction until~~
21 ~~the safety recall repair has been made.~~

22 (Source: 10000SB2641enr.)

23 Section 99. Effective date. This Act takes effect January
24 1, 2019."