

# HB0270



## 97TH GENERAL ASSEMBLY

### State of Illinois

2011 and 2012

HB0270

Introduced 01/28/11, by Rep. Thomas Holbrook

#### SYNOPSIS AS INTRODUCED:

625 ILCS 5/7-601

from Ch. 95 1/2, par. 7-601

Amends the Illinois Vehicle Code. Provides that the Secretary of State may not register or renew the registration of any vehicle that is subject to liability insurance requirements without first verifying that the vehicle is covered by liability insurance in amounts no less than the statutory minimums. Effective January 1, 2012.

LRB097 06491 HEP 46574 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning transportation.

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

4 Section 5. The Illinois Vehicle Code is amended by changing  
5 Section 7-601 as follows:

6 (625 ILCS 5/7-601) (from Ch. 95 1/2, par. 7-601)

7 Sec. 7-601. Required liability insurance policy.

8 (a) No person shall operate, register or maintain  
9 registration of, and no owner shall permit another person to  
10 operate, register or maintain registration of, a motor vehicle  
11 designed to be used on a public highway unless the motor  
12 vehicle is covered by a liability insurance policy.

13 The insurance policy shall be issued in amounts no less  
14 than the minimum amounts set for bodily injury or death and for  
15 destruction of property under Section 7-203 of this Code, and  
16 shall be issued in accordance with the requirements of Sections  
17 143a and 143a-2 of the Illinois Insurance Code, as amended. No  
18 insurer other than an insurer authorized to do business in this  
19 State shall issue a policy pursuant to this Section for any  
20 vehicle subject to registration under this Code. Nothing herein  
21 shall deprive an insurer of any policy defense available at  
22 common law.

23 (b) The following vehicles are exempt from the requirements

1 of this Section:

2 (1) vehicles subject to the provisions of Chapters 8 or  
3 18a, Article III or Section 7-609 of Chapter 7, or Sections  
4 12-606 or 12-707.01 of Chapter 12 of this Code;

5 (2) vehicles required to file proof of liability  
6 insurance with the Illinois Commerce Commission;

7 (3) vehicles covered by a certificate of  
8 self-insurance under Section 7-502 of this Code;

9 (4) vehicles owned by the United States, the State of  
10 Illinois, or any political subdivision, municipality or  
11 local mass transit district;

12 (5) implements of husbandry;

13 (6) other vehicles complying with laws which require  
14 them to be insured in amounts meeting or exceeding the  
15 minimum amounts required under this Section; and

16 (7) inoperable or stored vehicles that are not  
17 operated, as defined by rules and regulations of the  
18 Secretary.

19 (c) Every employee of a State agency, as that term is  
20 defined in the Illinois State Auditing Act, who is assigned a  
21 specific vehicle owned or leased by the State on an ongoing  
22 basis shall provide the certification described in this Section  
23 annually to the director or chief executive officer of his or  
24 her agency.

25 The certification shall affirm that the employee is duly  
26 licensed to drive the assigned vehicle and that (i) the

1 employee has liability insurance coverage extending to the  
2 employee when the assigned vehicle is used for other than  
3 official State business, or (ii) the employee has filed a bond  
4 with the Secretary of State as proof of financial  
5 responsibility, in an amount equal to, or in excess of the  
6 requirements stated within this Section. Upon request of the  
7 agency director or chief executive officer, the employee shall  
8 present evidence to support the certification.

9 The certification shall be provided during the period July  
10 1 through July 31 of each calendar year, or within 30 days of  
11 any new assignment of a vehicle on an ongoing basis, whichever  
12 is later.

13 The employee's authorization to use the assigned vehicle  
14 shall automatically be rescinded upon:

15 (1) the revocation or suspension of the license  
16 required to drive the assigned vehicle;

17 (2) the cancellation or termination for any reason of  
18 the automobile liability insurance coverage as required in  
19 item (c) (i); or

20 (3) the termination of the bond filed with the  
21 Secretary of State.

22 All State employees providing the required certification  
23 shall immediately notify the agency director or chief executive  
24 officer in the event any of these actions occur.

25 All peace officers employed by a State agency who are  
26 primarily responsible for prevention and detection of crime and

1 the enforcement of the criminal, traffic, or highway laws of  
2 this State, and prohibited by agency rule or policy to use an  
3 assigned vehicle owned or leased by the State for regular  
4 personal or off-duty use, are exempt from the requirements of  
5 this Section.

6 (d) The Secretary of State may not register or renew the  
7 registration of any vehicle that is subject to the requirements  
8 of subsection (a) of this Section without first verifying that  
9 the vehicle is insured in conformity with the requirements of  
10 that subsection.

11 (Source: P.A. 91-661, eff. 12-22-99.)

12 Section 99. Effective date. This Act takes effect January  
13 1, 2012.