



Sen. Daniel Biss

Filed: 4/15/2013

09800SB1898sam002

LRB098 08190 MLW 43866 a

1 AMENDMENT TO SENATE BILL 1898

2 AMENDMENT NO. _____. Amend Senate Bill 1898, AS AMENDED,
3 by replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Illinois Vehicle Code is amended by
6 changing Sections 1-164.5, 7-203, 7-311, and 7-317 as follows:

7 (625 ILCS 5/1-164.5)

8 Sec. 1-164.5. Proof of financial responsibility. Proof of
9 ability to respond in damages for any liability thereafter
10 incurred resulting from the ownership, maintenance, use or
11 operation of a motor vehicle for bodily injury to or death of
12 any person in the amount of \$30,000 ~~\$20,000~~, and subject to
13 this limit for any one person injured or killed, in the amount
14 of \$60,000 ~~\$40,000~~ for bodily injury to or death of 2 or more
15 persons in any one accident, and for damage to property in the
16 amount of \$20,000 ~~\$15,000~~ resulting from any one accident. This

1 proof in these amounts shall be furnished for each motor
2 vehicle registered by every person required to furnish this
3 proof.

4 (Source: P.A. 90-89, eff. 1-1-98.)

5 (625 ILCS 5/7-203) (from Ch. 95 1/2, par. 7-203)

6 Sec. 7-203. Requirements as to policy or bond. No such
7 policy or bond referred to in Section 7-202 shall be effective
8 under this Section unless issued by an insurance company or
9 surety company authorized to do business in this State, except
10 that if such motor vehicle was not registered in this State, or
11 was a motor vehicle which was registered elsewhere than in this
12 State at the effective date of the policy or bond, or the most
13 recent renewal thereof, such policy or bond shall not be
14 effective under this Section unless the insurance company or
15 surety company, if not authorized to do business in this State,
16 shall execute a power of attorney authorizing the Secretary of
17 State to accept service on its behalf of notice or process in
18 any action upon such policy or bond arising out of such motor
19 vehicle accident. However, every such policy or bond is
20 subject, if the motor vehicle accident has resulted in bodily
21 injury or death, to a limit, exclusive of interest and costs,
22 of not less than \$30,000 ~~\$20,000~~ because of bodily injury to or
23 death of any one person in any one motor vehicle accident and,
24 subject to said limit for one person, to a limit of not less
25 than \$60,000 ~~\$40,000~~ because of bodily injury to or death of 2

1 or more persons in any one motor vehicle accident, and, if the
2 motor vehicle accident has resulted in injury to or destruction
3 of property, to a limit of not less than \$20,000 ~~\$15,000~~
4 because of injury to or destruction of property of others in
5 any one motor vehicle accident.

6 Upon receipt of a written motor vehicle accident report
7 from the Administrator the insurance company or surety company
8 named in such notice shall notify the Administrator within such
9 time and in such manner as the Administrator may require, in
10 case such policy or bond was not in effect at the time of such
11 motor vehicle accident.

12 (Source: P.A. 85-730.)

13 (625 ILCS 5/7-311) (from Ch. 95 1/2, par. 7-311)

14 Sec. 7-311. Payments sufficient to satisfy requirements.

15 (a) Judgments herein referred to arising out of motor vehicle
16 accidents occurring on or after the effective date of this
17 amendatory Act of the 98th General Assembly ~~January 1, 1956,~~
18 shall for the purpose of this Chapter be deemed satisfied:

19 1. When \$30,000 ~~\$20,000~~ has been credited upon any judgment
20 or judgments rendered in excess of that amount for bodily
21 injury to or the death of one person as the result of any one
22 motor vehicle accident; or

23 2. When, subject to said limit of \$30,000 ~~\$20,000~~ as to any
24 one person, the sum of \$60,000 ~~\$40,000~~ has been credited upon
25 any judgment or judgments rendered in excess of that amount for

1 bodily injury to or the death of more than one person as the
2 result of any one motor vehicle accident; or

3 3. When \$20,000 ~~\$15,000~~ has been credited upon any judgment
4 or judgments, rendered in excess of that amount for damages to
5 property of others as a result of any one motor vehicle
6 accident.

7 (b) Credit for such amounts shall be deemed a satisfaction
8 of any such judgment or judgments in excess of said amounts
9 only for the purposes of this Chapter.

10 (c) Whenever payment has been made in settlement of any
11 claim for bodily injury, death or property damage arising from
12 a motor vehicle accident resulting in injury, death or property
13 damage to two or more persons in such accident, any such
14 payment shall be credited in reduction of the amounts provided
15 for in this Section.

16 (Source: P.A. 85-730.)

17 (625 ILCS 5/7-317) (from Ch. 95 1/2, par. 7-317)

18 Sec. 7-317. "Motor vehicle liability policy" defined. (a)
19 Certification. -A "motor vehicle liability policy", as that
20 term is used in this Act, means an "owner's policy" or an
21 "operator's policy" of liability insurance, certified as
22 provided in Section 7-315 or Section 7-316 as proof of
23 financial responsibility for the future, and issued, except as
24 otherwise provided in Section 7-316, by an insurance carrier
25 duly authorized to transact business in this State, to or for

1 the benefit of the person named therein as insured.

2 (b) Owner's Policy. --Such owner's policy of liability
3 insurance:

4 1. Shall designate by explicit description or by
5 appropriate reference, all motor vehicles with respect to which
6 coverage is thereby intended to be granted;

7 2. Shall insure the person named therein and any other
8 person using or responsible for the use of such motor vehicle
9 or vehicles with the express or implied permission of the
10 insured;

11 3. Shall insure every named insured and any other person
12 using or responsible for the use of any motor vehicle owned by
13 the named insured and used by such other person with the
14 express or implied permission of the named insured on account
15 of the maintenance, use or operation of any motor vehicle owned
16 by the named insured, within the continental limits of the
17 United States or the Dominion of Canada against loss from
18 liability imposed by law arising from such maintenance, use or
19 operation, to the extent and aggregate amount, exclusive of
20 interest and cost, with respect to each motor vehicle, of
21 \$30,000 ~~\$20,000~~ for bodily injury to or death of one person as
22 a result of any one accident and, subject to such limit as to
23 one person, the amount of \$60,000 ~~\$40,000~~ for bodily injury to
24 or death of all persons as a result of any one accident and the
25 amount of \$20,000 ~~\$15,000~~ for damage to property of others as a
26 result of any one accident.

1 (c) Operator's Policy. --When an operator's policy is
2 required, it shall insure the person named therein as insured
3 against the liability imposed by law upon the insured for
4 bodily injury to or death of any person or damage to property
5 to the amounts and limits above set forth and growing out of
6 the use or operation by the insured within the continental
7 limits of the United States or the Dominion of Canada of any
8 motor vehicle not owned by him.

9 (d) Required Statements in Policies. --Every motor vehicle
10 liability policy must specify the name and address of the
11 insured, the coverage afforded by the policy, the premium
12 charged therefor, the policy period, and the limits of
13 liability, and shall contain an agreement that the insurance
14 thereunder is provided in accordance with the coverage defined
15 in this Act, as respects bodily injury and death or property
16 damage or both, and is subject to all the provisions of this
17 Act.

18 (e) Policy Need Not Insure Workers' Compensation. --Any
19 liability policy or policies issued hereunder need not cover
20 any liability of the insured assumed by or imposed upon the
21 insured under any workers' compensation law nor any liability
22 for damage to property in charge of the insured or the
23 insured's employees.

24 (f) Provisions Incorporated in Policy. --Every motor
25 vehicle liability policy is subject to the following provisions
26 which need not be contained therein:

1 1. The liability of the insurance carrier under any such
2 policy shall become absolute whenever loss or damage covered by
3 the policy occurs and the satisfaction by the insured of a
4 final judgment for such loss or damage shall not be a condition
5 precedent to the right or obligation of the carrier to make
6 payment on account of such loss or damage.

7 2. No such policy may be cancelled or annulled as respects
8 any loss or damage, by any agreement between the carrier and
9 the insured after the insured has become responsible for such
10 loss or damage, and any such cancellation or annulment shall be
11 void.

12 3. The insurance carrier shall, however, have the right to
13 settle any claim covered by the policy, and if such settlement
14 is made in good faith, the amount thereof shall be deductible
15 from the limits of liability specified in the policy.

16 4. The policy, the written application therefor, if any,
17 and any rider or endorsement which shall not conflict with the
18 provisions of this Act shall constitute the entire contract
19 between the parties.

20 (g) Excess or Additional Coverage. --Any motor vehicle
21 liability policy may, however, grant any lawful coverage in
22 excess of or in addition to the coverage herein specified or
23 contain any agreements, provisions, or stipulations not in
24 conflict with the provisions of this Act and not otherwise
25 contrary to law.

26 (h) Reimbursement Provision Permitted. --The policy may

1 provide that the insured, or any other person covered by the
2 policy shall reimburse the insurance carrier for payment made
3 on account of any loss or damage claim or suit involving a
4 breach of the terms, provisions or conditions of the policy;
5 and further, if the policy shall provide for limits in excess
6 of the limits specified in this Act, the insurance carrier may
7 plead against any plaintiff, with respect to the amount of such
8 excess limits of liability, any defense which it may be
9 entitled to plead against the insured.

10 (i) Proration of Insurance Permitted. --The policy may
11 provide for the pro-rating of the insurance thereunder with
12 other applicable valid and collectible insurance.

13 (j) Binders. --Any binder pending the issuance of any
14 policy, which binder contains or by reference includes the
15 provisions hereunder shall be sufficient proof of ability to
16 respond in damages.

17 (k) Copy of Policy to Be Filed with Department of
18 Insurance--Approval. --A copy of the form of every motor
19 vehicle liability policy which is to be used to meet the
20 requirements of this Act must be filed, by the company offering
21 such policy, with the Department of Insurance, which shall
22 approve or disapprove the policy within 30 days of its filing.
23 If the Department approves the policy in writing within such 30
24 day period or fails to take action for 30 days, the form of
25 policy shall be deemed approved as filed. If within the 30 days
26 the Department disapproves the form of policy filed upon the

1 ground that it does not comply with the requirements of this
2 Act, the Department shall give written notice of its decision
3 and its reasons therefor to the carrier and the policy shall
4 not be accepted as proof of financial responsibility under this
5 Act.

6 (l) Insurance Carrier Required to File Certificate. --An
7 insurance carrier who has issued a motor vehicle liability
8 policy or policies or an operator's policy meeting the
9 requirements of this Act shall, upon the request of the insured
10 therein, deliver to the insured for filing, or at the request
11 of the insured, shall file direct, with the Secretary of State
12 a certificate, as required by this Act, which shows that such
13 policy or policies have been issued. No insurance carrier may
14 require the payment of any extra fee or surcharge, in addition
15 to the insurance premium, for the execution, delivery or filing
16 of such certificate.

17 (m) Proof When Made By Endorsement. --Any motor vehicle
18 liability policy which by endorsement contains the provisions
19 required hereunder shall be sufficient proof of ability to
20 respond in damages.

21 (Source: P.A. 85-730.)

22 Section 99. Effective date. This Act takes effect upon
23 becoming law."