



Sen. Daniel Biss

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LRB098 08190 MLW 45212 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 \$25,000 ~~\$20,000~~, and subject to
13 this limit for any one person injured or killed, in the amount
14 of \$50,000 ~~\$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 \$15,000 resulting from any one accident. This proof

1 in these amounts shall be furnished for each motor vehicle
2 registered by every person required to furnish this proof. The
3 changes to this Section made by this amendatory Act of the 98th
4 General Assembly apply only to policies issued or renewed on or
5 after January 1, 2015.

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

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

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

1 subject to said limit for one person, to a limit of not less
2 than \$50,000 ~~\$40,000~~ because of bodily injury to or death of 2
3 or more persons in any one motor vehicle accident, and, if the
4 motor vehicle accident has resulted in injury to or destruction
5 of property, to a limit of not less than \$15,000 because of
6 injury to or destruction of property of others in any one motor
7 vehicle accident. The changes to this Section made by this
8 amendatory Act of the 98th General Assembly apply only to
9 policies issued or renewed on or after January 1, 2015.

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

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

17 (625 ILCS 5/7-311) (from Ch. 95 1/2, par. 7-311)

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

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

23 1. When \$25,000 ~~\$20,000~~ has been credited upon any judgment
24 or judgments rendered in excess of that amount for bodily
25 injury to or the death of one person as the result of any one

1 motor vehicle accident; or

2 2. When, subject to said limit of \$25,000 ~~\$20,000~~ as to any
3 one person, the sum of \$50,000 ~~\$40,000~~ has been credited upon
4 any judgment or judgments rendered in excess of that amount for
5 bodily injury to or the death of more than one person as the
6 result of any one motor vehicle accident; or

7 3. When \$15,000 has been credited upon any judgment or
8 judgments, rendered in excess of that amount for damages to
9 property of others as a result of any one motor vehicle
10 accident.

11 The changes to this subsection made by this amendatory Act
12 of the 98th General Assembly apply only to policies issued or
13 renewed on or after January 1, 2015.

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

17 (c) Whenever payment has been made in settlement of any
18 claim for bodily injury, death or property damage arising from
19 a motor vehicle accident resulting in injury, death or property
20 damage to two or more persons in such accident, any such
21 payment shall be credited in reduction of the amounts provided
22 for in this Section.

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

24 (625 ILCS 5/7-317) (from Ch. 95 1/2, par. 7-317)

25 Sec. 7-317. "Motor vehicle liability policy" defined. (a)

1 Certification. -A "motor vehicle liability policy", as that
2 term is used in this Act, means an "owner's policy" or an
3 "operator's policy" of liability insurance, certified as
4 provided in Section 7-315 or Section 7-316 as proof of
5 financial responsibility for the future, and issued, except as
6 otherwise provided in Section 7-316, by an insurance carrier
7 duly authorized to transact business in this State, to or for
8 the benefit of the person named therein as insured.

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

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

14 2. Shall insure the person named therein and any other
15 person using or responsible for the use of such motor vehicle
16 or vehicles with the express or implied permission of the
17 insured;

18 3. Shall insure every named insured and any other person
19 using or responsible for the use of any motor vehicle owned by
20 the named insured and used by such other person with the
21 express or implied permission of the named insured on account
22 of the maintenance, use or operation of any motor vehicle owned
23 by the named insured, within the continental limits of the
24 United States or the Dominion of Canada against loss from
25 liability imposed by law arising from such maintenance, use or
26 operation, to the extent and aggregate amount, exclusive of

1 interest and cost, with respect to each motor vehicle, of
2 \$25,000 ~~\$20,000~~ for bodily injury to or death of one person as
3 a result of any one accident and, subject to such limit as to
4 one person, the amount of \$50,000 ~~\$40,000~~ for bodily injury to
5 or death of all persons as a result of any one accident and the
6 amount of \$15,000 for damage to property of others as a result
7 of any one accident. The changes to this paragraph made by this
8 amendatory Act of the 98th General Assembly apply only to
9 policies issued or renewed on or after January 1, 2015.

10 (c) Operator's Policy. --When an operator's policy is
11 required, it shall insure the person named therein as insured
12 against the liability imposed by law upon the insured for
13 bodily injury to or death of any person or damage to property
14 to the amounts and limits above set forth and growing out of
15 the use or operation by the insured within the continental
16 limits of the United States or the Dominion of Canada of any
17 motor vehicle not owned by him.

18 (d) Required Statements in Policies. --Every motor vehicle
19 liability policy must specify the name and address of the
20 insured, the coverage afforded by the policy, the premium
21 charged therefor, the policy period, and the limits of
22 liability, and shall contain an agreement that the insurance
23 thereunder is provided in accordance with the coverage defined
24 in this Act, as respects bodily injury and death or property
25 damage or both, and is subject to all the provisions of this
26 Act.

1 (e) Policy Need Not Insure Workers' Compensation. --Any
2 liability policy or policies issued hereunder need not cover
3 any liability of the insured assumed by or imposed upon the
4 insured under any workers' compensation law nor any liability
5 for damage to property in charge of the insured or the
6 insured's employees.

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

10 1. The liability of the insurance carrier under any such
11 policy shall become absolute whenever loss or damage covered by
12 the policy occurs and the satisfaction by the insured of a
13 final judgment for such loss or damage shall not be a condition
14 precedent to the right or obligation of the carrier to make
15 payment on account of such loss or damage.

16 2. No such policy may be cancelled or annulled as respects
17 any loss or damage, by any agreement between the carrier and
18 the insured after the insured has become responsible for such
19 loss or damage, and any such cancellation or annulment shall be
20 void.

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

25 4. The policy, the written application therefor, if any,
26 and any rider or endorsement which shall not conflict with the

1 provisions of this Act shall constitute the entire contract
2 between the parties.

3 (g) Excess or Additional Coverage. --Any motor vehicle
4 liability policy may, however, grant any lawful coverage in
5 excess of or in addition to the coverage herein specified or
6 contain any agreements, provisions, or stipulations not in
7 conflict with the provisions of this Act and not otherwise
8 contrary to law.

9 (h) Reimbursement Provision Permitted. --The policy may
10 provide that the insured, or any other person covered by the
11 policy shall reimburse the insurance carrier for payment made
12 on account of any loss or damage claim or suit involving a
13 breach of the terms, provisions or conditions of the policy;
14 and further, if the policy shall provide for limits in excess
15 of the limits specified in this Act, the insurance carrier may
16 plead against any plaintiff, with respect to the amount of such
17 excess limits of liability, any defense which it may be
18 entitled to plead against the insured.

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

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

26 (k) Copy of Policy to Be Filed with Department of

1 Insurance--Approval. --A copy of the form of every motor
2 vehicle liability policy which is to be used to meet the
3 requirements of this Act must be filed, by the company offering
4 such policy, with the Department of Insurance, which shall
5 approve or disapprove the policy within 30 days of its filing.
6 If the Department approves the policy in writing within such 30
7 day period or fails to take action for 30 days, the form of
8 policy shall be deemed approved as filed. If within the 30 days
9 the Department disapproves the form of policy filed upon the
10 ground that it does not comply with the requirements of this
11 Act, the Department shall give written notice of its decision
12 and its reasons therefor to the carrier and the policy shall
13 not be accepted as proof of financial responsibility under this
14 Act.

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

26 (m) Proof When Made By Endorsement. --Any motor vehicle

1 liability policy which by endorsement contains the provisions
2 required hereunder shall be sufficient proof of ability to
3 respond in damages.

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

5 Section 99. Effective date. This Act takes effect January
6 1, 2015."