

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 12-707.01 as follows:

6 (625 ILCS 5/12-707.01) (from Ch. 95 1/2, par. 12-707.01)

7 Sec. 12-707.01. Liability insurance.

8 (a) No school bus, first division vehicle including a taxi
9 which is used for a purpose that requires a school bus driver
10 permit, commuter van or motor vehicle owned by or used for hire
11 by and in connection with the operation of private or public
12 schools, day camps, summer camps or nursery schools, and no
13 commuter van or passenger car used for a for-profit ridesharing
14 arrangement, shall be operated for such purposes unless the
15 owner thereof shall carry a minimum of personal injury
16 liability insurance in the amount of \$25,000 for any one person
17 in any one accident, and subject to the limit for one person,
18 \$100,000 for two or more persons injured by reason of the
19 operation of the vehicle in any one accident. This subsection
20 (a) applies only to personal injury liability policies issued
21 or renewed before January 1, 2013.

22 (b) Liability insurance policies issued or renewed on and
23 after January 1, 2013 shall comply with the following:

1 (1) except as provided in subparagraph (2) of this
2 subsection (b), any vehicle that is used for a purpose that
3 requires a school bus driver permit under Section 6-104 of
4 this Code shall carry a minimum of liability insurance in
5 the amount of \$2,000,000. This minimum insurance
6 requirement may be satisfied by either (i) a \$2,000,000
7 combined single limit primary commercial automobile
8 policy; or (ii) a \$1 million primary commercial automobile
9 policy and a minimum \$5,000,000 excess or umbrella
10 liability policy ~~combined single limit per accident;~~

11 (2) any vehicle that is used for a purpose that
12 requires a school bus driver permit under Section 6-104 of
13 this Code and is used in connection with the operation of
14 private day care facilities, day camps, summer camps, or
15 nursery schools shall carry a minimum of liability
16 insurance in the amount of \$1,000,000 combined single limit
17 per accident;

18 (3) any commuter van or passenger car used for a
19 for-profit ridesharing arrangement shall carry a minimum
20 of liability insurance in the amount of \$500,000 combined
21 single limit per accident.

22 (c) Primary insurance coverage under the provisions of this
23 Section must be provided by a licensed and admitted insurance
24 carrier or an intergovernmental cooperative formed under
25 Section 10 of Article VII of the Illinois Constitution, or
26 Section 6 or 9 of the Intergovernmental Cooperation Act, or

1 provided by a certified self-insurer under Section 7-502 of
2 this Code. The excess or umbrella liability coverage
3 requirement may be met by securing surplus line insurance as
4 defined under Section 445 of the Illinois Insurance Code. If
5 the excess or umbrella liability coverage requirement is met by
6 securing surplus line insurance, that coverage must be effected
7 through a licensed surplus line producer acting under the
8 surplus line insurance laws and regulations of this State.
9 Nothing in this subsection (c) shall be construed as
10 prohibiting a licensed and admitted insurance carrier or an
11 intergovernmental cooperative formed under Section 10 of
12 Article VII of the Illinois Constitution, or Section 6 or 9 of
13 the Intergovernmental Cooperation Act, or a certified
14 self-insurer under Section 7-502 of this Code, from retaining
15 the risk required under paragraphs (1) and (2) of subsection
16 (b) of this Section or issuing a single primary policy meeting
17 the requirements of paragraphs (1) and (2) of subsection (b).

18 (d) Each owner of a vehicle required to obtain the minimum
19 liability requirements under subsection (b) of this Section
20 shall attest that the vehicle meets the minimum insurance
21 requirements under this Section. The Secretary of State shall
22 create a form for each owner of a vehicle to attest that the
23 owner meets the minimum insurance requirements and the owner of
24 the vehicle shall submit the form with each registration
25 application. The form shall be valid for the full registration
26 period; however, if at any time the Secretary has reason to

1 believe that the owner does not have the minimum required
2 amount of insurance for a vehicle, then the Secretary may
3 require a certificate of insurance, or its equivalent, to
4 ensure the vehicle is insured. If the owner fails to produce a
5 certificate of insurance, or its equivalent, within 2 calendar
6 days after the request was made, then the Secretary may revoke
7 the vehicle owner's registration until the Secretary is assured
8 the vehicle meets the minimum insurance requirements. If the
9 owner of a vehicle participates in an intergovernmental
10 cooperative or is self-insured, then the owner shall attest
11 that the insurance required under this Section is equivalent to
12 or greater than the insurance required under paragraph (1) of
13 subsection (b) of this Section. The Secretary may adopt any
14 rules necessary to enforce the provisions of this subsection
15 (d).

16 (Source: P.A. 97-224, eff. 7-28-11; 97-1078, eff. 8-24-12.)