



Sen. Don Harmon

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09700SB3358sam001

LRB097 18619 HEP 65502 a

1 AMENDMENT TO SENATE BILL 3358

2 AMENDMENT NO. _____. Amend Senate Bill 3358 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Vehicle Code is amended by
5 changing Section 3-109 as follows:

6 (625 ILCS 5/3-109) (from Ch. 95 1/2, par. 3-109)

7 Sec. 3-109. Registration without certificate of title;
8 bond. If the Secretary of State is not satisfied as to the
9 ownership of the vehicle or that there are no undisclosed
10 security interests in it, the Secretary of State may register
11 the vehicle but shall either:

12 (a) Withhold issuance of a certificate of title until the
13 applicant presents documents reasonably sufficient to satisfy
14 the Secretary of State as to the applicant's ownership of the
15 vehicle and that there are no undisclosed security interests in
16 it; or

1 (b) As a condition of issuing a certificate of title,
2 require the applicant to file with the Secretary of State a
3 bond in the form prescribed by the Secretary of State and
4 executed by the applicant, and either accompanied by the
5 deposit of cash with the Secretary of State or also executed by
6 a person authorized to conduct a surety business in this State.
7 The bond shall be in an amount equal to one and one-half times
8 the value of the vehicle as determined by the Secretary of
9 State and conditioned to indemnify any prior owner and
10 lienholder and any subsequent purchaser of the vehicle or
11 person acquiring any security interest in it, and their
12 respective successors in interest, against any expense, loss or
13 damage, including reasonable attorney's fees, by reason of the
14 issuance of the certificate of title of the vehicle or on
15 account of any defect in or undisclosed security interest upon
16 the right, title and interest of the applicant in and to the
17 vehicle. Any such interested person has a right of action to
18 recover on the bond for any breach of its conditions, but the
19 aggregate liability of the surety to all persons shall not
20 exceed the amount of the bond. The bond, and any deposit
21 accompanying it, shall be returned at the end of three (3)
22 years or prior thereto if the vehicle is no longer registered
23 in this State and the currently valid certificate of title is
24 surrendered to the Secretary of State, unless the Secretary of
25 State has been notified of the pendency of an action to recover
26 on the bond. The Secretary shall waive the requirements of this

1 subsection (b) for the owner of an antique vehicle manufactured
2 more than 50 years before the date the application for a
3 certificate of title is made.

4 Security deposited as a bond hereunder shall be placed by
5 the Secretary of State in the custody of the State Treasurer.

6 (c) During July, annually, the Secretary shall compile a
7 list of all bonds on deposit, pursuant to this Section, for
8 more than 3 years and concerning which he has received no
9 notice as to the pendency of any judicial proceeding that could
10 affect the disposition thereof. Thereupon, he shall promptly
11 send a notice by certified mail to the last known address of
12 each depositor advising him that his bond will be subject to
13 escheat to the State of Illinois if not claimed within 30 days
14 after the mailing date of such notice. At the expiration of
15 such time, the Secretary of State shall file with the State
16 Treasurer an order directing the transfer of such deposit to
17 the Road Fund in the State Treasury. Upon receipt of such
18 order, the State Treasurer shall make such transfer, after
19 converting to cash any other type of security. Thereafter any
20 person having a legal claim against such deposit may enforce it
21 by appropriate proceedings in the Court of Claims subject to
22 the limitations prescribed for such Court. At the expiration of
23 such limitation period such deposit shall escheat to the State
24 of Illinois.

25 (Source: P.A. 81-1458.)

1 Section 99. Effective date. This Act takes effect upon
2 becoming law.".