1 AN ACT concerning transportation.

## Be it enacted by the People of the State of Illinois, represented in the General Assembly:

- Section 5. The Illinois Vehicle Code is amended by changing

  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.
- (a) No school bus, first division vehicle including a taxi 8 9 which is used for a purpose that requires a school bus driver permit, commuter van or motor vehicle owned by or used for hire 10 by and in connection with the operation of private or public 11 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 owner thereof shall carry a minimum of personal injury 15 16 liability insurance in the amount of \$25,000 for any one person in any one accident, and subject to the limit for one person, 17 \$100,000 for two or more persons injured by reason of the 18 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:

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

- (2) any vehicle that is used for a purpose that requires a school bus driver permit under Section 6-104 of this Code and is used in connection with the operation of private day care facilities, day camps, summer camps, or nursery schools shall carry a minimum of liability insurance in the amount of \$1,000,000 combined single limit per accident;
- (3) any commuter van or passenger car used for a for-profit ridesharing arrangement shall carry a minimum of liability insurance in the amount of \$500,000 combined single limit per accident.
- (c) Primary insurance coverage under the provisions of this Section must be provided by a licensed and admitted insurance carrier or an intergovernmental cooperative formed under Section 10 of Article VII of the Illinois Constitution, or Section 6 or 9 of the Intergovernmental Cooperation Act, or

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provided by a certified self-insurer under Section 7-502 of this Code. The excess or umbrella liability coverage requirement may be met by securing surplus line insurance as defined under Section 445 of the Illinois Insurance Code. If the excess or umbrella liability coverage requirement is met by securing surplus line insurance, that coverage must be effected through a licensed surplus line producer acting under the surplus line insurance laws and regulations of this State. Nothing in this subsection (c) shall be construed as prohibiting a licensed and admitted insurance carrier or an intergovernmental cooperative formed <u>under Section 10 of</u> Article VII of the Illinois Constitution, or Section 6 or 9 of the Intergovernmental Cooperation Act, or a certified self-insurer under Section 7-502 of this Code, from retaining the risk required under paragraphs (1) and (2) of subsection (b) of this Section or issuing a single primary policy meeting the requirements of paragraphs (1) and (2) of subsection (b). (d) Each owner of a vehicle required to obtain the minimum liability requirements under subsection (b) of this Section shall attest that the vehicle meets the minimum insurance requirements under this Section. The Secretary of State shall create a form for each owner of a vehicle to attest that the owner meets the minimum insurance requirements and the owner of the vehicle shall submit the form with each registration application. The form shall be valid for the full registration period; however, if at any time the Secretary has reason to amount of insurance for a vehicle, then the Secretary may require a certificate of insurance, or its equivalent, to ensure the vehicle is insured. If the owner fails to produce a certificate of insurance, or its equivalent, within 2 calendar days after the request was made, then the Secretary may revoke the vehicle owner's registration until the Secretary is assured the vehicle meets the minimum insurance requirements. If the owner of a vehicle participates in an intergovernmental cooperative or is self-insured, then the owner shall attest that the insurance required under this Section is equivalent to or greater than the insurance required under paragraph (1) of subsection (b) of this Section. The Secretary may adopt any rules necessary to enforce the provisions of this subsection (d).

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