**Section 1040.102 Bankruptcy Rule for Suspensions, Cancellations, Failure to Pay, Returned Check and Dishonored Electronic Payment Actions**

a) If a debtor's driving privileges have been or will be suspended for a parking suspension pursuant to IVC Section 6-306.5, and if the parking or standing tickets are issued prior to petition for discharge, or, if a debtor's driving privileges have been or will be cancelled as a result of a returned check, dishonored credit card, or dishonored electronic payment pursuant to IVC Section 6-201(a)(3), proper notice to the Department shall result in the rescission of the suspension or cancellation from the driving record.

b) If a debtor's privilege to renew or be reissued a driver's license has been or will be prohibited based upon a returned check, dishonored credit card, or dishonored electronic payment pursuant to IVC Section 6-201(a)(3), or based upon a report of failure to pay traffic fines and court costs pursuant to IVC Section 6-306.6, proper notice to the Department shall result in the deletion of this indication from the driving record.

c) Proper notice shall consist of, but not be limited to, one of the following:

1) Petition in Bankruptcy

2) Notice of Meeting of Creditors

3) Schedule A-3 or Schedule of Creditors

4) Trustee Report of No Assets

5) Petition for Discharge Filed in Bankruptcy

6) Notice of Automatic Stay

7) Chapter 13 Wage Earner Plan

d) Any evidence documenting an event prior in time to actual petition for discharge shall be used by the Department to confirm a petition for discharge in bankruptcy has occurred.

e) The debtor shall notify the Department if the Petition in Bankruptcy has been dismissed or the debt has been discharged in bankruptcy.

f) Any previous action taken by the Department to rescind a suspension or prevent the renewal or reissuance of a driver's license or permit based upon proper notice of bankruptcy under this Section shall be reinstituted when:

1) the Petition in Bankruptcy has been dismissed; or

2) the United States Bankruptcy Court orders the debt nondischargeable; or

3) a court of competent jurisdiction enters an order finding the debt upon which the action is based nondischargeable pursuant to applicable sections of 11 USC 523(a) and the U.S. Supreme Court's Federal Rule of Bankruptcy Procedure 4007 (at www.uscourts.gov).

(Source: Amended at 42 Ill. Reg. 235, effective December 19, 2017)