**Section 1070.20 Future Proof**

a) For purposes of this Section, the following definitions shall apply:

"Certificate of Insurance" − certificate electronically transmitted to the Secretary of State's Office as proof that the person has purchased financial responsibility insurance as outlined in Section 7-315 of the IVC.

"Department" − Department of Driver Services of the Office of the Secretary of State.

"Financial Responsibility Insurance" − insurance used to establish proof of financial responsibility as established in Sections 7-315 and 7-316 of the IVC.

"Illinois Insurance Guaranty Fund" − Article XXXIV of the Illinois Insurance Code [215 ILCS 5] that deals with disposition of assets following bankruptcy.

"Illinois Vehicle Code" or "Vehicle Code" or "IVC" − 625 ILCS 5.

"Law" – the Illinois Safety and Family Financial Responsibility Law of the Illinois Vehicle Code [625 ILCS 5/Ch. 7].

"Lien" − claim on property of another as security for payment of a just debt.

"Owner's policy" or an "operator's policy" − a policy of liability insurance that is certified pursuant to Section 7-315 or 7-316 of the IVC, comports with Section 1-164.5 of the IVC, and complies with the requirements of Section 7-317(b), (c), (d) and (f) of the IVC.

"Proof of Financial Responsibility for the Future" − ability to respond in damages for any liability resulting from the ownership, maintenance, use or operation of a motor vehicle as provided in Section 1-164.5 of the IVC.

"Real Estate Bond" − proof of financial responsibility filed pursuant to Section 7-320 of the IVC.

"Stock" − proportionate share in ownership of corporation held by individual and that is usually represented by a stock certificate.

"Surety" − a person who is self-designated as liable for another's debts or defaults of obligations.

b) When a person purchases insurance to satisfy proof of financial responsibility for the future, the insurance company shall electronically transmit a certificate of insurance to the Department. The certificate shall contain the insured's name and address, driver's license number, birthdate, current policy number, effective date of the insurance policy, and the name of the insurance company. If the policy is an owner's, rather than operator's policy, it must include the model year, trade name, and identification number of the vehicle. The owner's policy must also conform with the amounts specified in Section 1-164.5 of the IVC.

c) If a person purchases a certificate of insurance to satisfy the requirement of future proof of financial responsibility and the insurance company fails, is no longer in business, ceases operations by order of a court, and the Department is notified by the Illinois Insurance Guaranty Fund of the non-operation of the insurance company, then the Department will notify the person of the non-operation. The person shall have 30 days after notification by the Department to provide a new certificate of insurance or satisfy the future proof requirement by cash or one of the other alternate methods provided in Section 7-314 of the IVC. If a suspension of a driver's license has been entered even though the person has provided future proof of financial responsibility within the 30-day time period, the suspension shall be removed.

d) If a person required to furnish proof of financial responsibility for the future chooses to file a bond pursuant to Section 7-320 of the IVC, and the bond is executed by the person giving the proof and two individual sureties, the following conditions must be met:

1) Each surety must own real estate within the State of Illinois;

2) Each surety must have equity in that real estate in the amount of the bond;

3) The bond must be endorsed by the clerk of the court and approved by a judge as provided in Section 7-320 of the IVC.

e) If any evidence of proof of financial responsibility for the future falls below the amount required as provided in Section 1-164.5 of the IVC, additional evidence shall be required. Cash and securities are deposited with the Illinois State Treasurer and the Treasurer monitors the securities and informs the Department if its value falls below the amount required. A certificate of insurance or bonds, real estate bonds that are without liens, stocks, and cash shall be accepted as evidence to establish the additional required proof of financial responsibility for the future. The additional security shall be sent to the Safety and Financial Responsibility Section, Department of Driver Services, 2701 South Dirksen Parkway, Springfield, Illinois 62723.

f) Whenever any evidence of proof of ability to respond in damages required by the provisions of Section 7-301 of the IVC no longer fulfills the purpose for which required, the Department shall require other evidence of ability to respond in damages, including but not limited to an endorsed certificate of insurance meeting the requirements of Section 1-164.5 of the IVC, bonds, unencumbered real estate bonds, stocks, or cash. The person required to post proof shall have 30 days after notification by the Department to post or submit additional proof. If the person fails to post proof within 30 days, the Secretary of State shall suspend the driver's license, registration certificate, license plates, and registration sticker pending receipt of such proof.

g) Notices of cancellation or termination of the certified policy of insurance proof as required in Sections 7-315 and 7-318 of the IV must be electronically transmitted to the Department in a form and manner satisfactory to the Secretary of State.

h) A notice of cancellation or termination of the certified policy of insurance for nonpayment of premiums shall only be transmitted to the Department after the insured has failed to discharge, on or after the due date, any of the policy-holder's obligations in connection with the payment of premiums, or installments that are payable directly to the insurer, its agent, or a party that has financed the premium. In the event an insurance company violates the provisions of this subsection, the Department shall report that violation to the Illinois Department of Insurance.

(Source: Amended at 48 Ill. Reg. 8404, effective May 24, 2024)