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 Sections 3-100.1 and 3-100.2 as follows:
- 6 (625 ILCS 5/3-100.1)

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- 7 Sec. 3-100.1. Use of electronic records.
- 8 (a) To the extent authorized by the Secretary of State and
  9 in accordance with standards and procedures prescribed by the
  10 Secretary of State:
- 11 (1) Certificates, certifications, affidavits,
  12 applications, assignments, statements, notices,
  13 documents, and other records required under this Chapter
  14 may be created, distributed, and received in electronic
  15 form.
  - (2) Signatures required under this Chapter may be made as electronic signatures or may be waived.
    - (3) Delivery of records required under this Chapter may be made by any means, including electronic delivery.
  - (4) Fees and taxes required to be paid under this Chapter may be made by electronic means; provided that any forms, records, electronic records, and methods of electronic payment relating to the filing and payment of

1 taxes shall be prescribed by the Department of Revenue.

- (a-5) No later than July 1, 2022 2021, the Secretary of State shall implement, manage, and administer an electronic lien and title system that will permit a lienholder to perfect, assign, and release a lien under this Code. The system may include the points in subsection (a) as to the identified objectives of the program. The Secretary shall establish by administrative rule the standards and procedures relating to the management and implementation of the mandatory electronic lien and title system established under this subsection. The Secretary may charge a reasonable fee for performing the services and functions relating to the management and administration of the system. The fee shall be set by administrative rule adopted by the Secretary.
- (b) Electronic records accepted by the Secretary of State have the same force and effect as records created on paper by writing, typing, printing, or similar means. The procedures established by the Secretary of State concerning the acceptance of electronic filings and electronic records shall ensure that the electronic filings and electronic records are received and stored accurately and that they are readily available to satisfy any statutory requirements that call for a written record.
- (c) Electronic signatures accepted by the Secretary of State shall have the same force and effect as manual signatures.

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- 1 (d) Electronic delivery of records accepted by the 2 Secretary of State shall have the same force and effect as 3 physical delivery of records.
  - (e) Electronic records and electronic signatures accepted by the Secretary of State shall be admissible in all administrative, quasi-judicial, and judicial proceedings. In any such proceeding, nothing in the application of the rules of evidence shall apply so as to deny the admissibility of an electronic record or electronic signature into evidence on the sole ground that it is an electronic record or electronic signature, or on the grounds that it is not in its original form or is not an original. Information in the form of an electronic record shall be given due evidentiary weight by the trier of fact.
- 15 (f) The Secretary may contract with a private contractor 16 to carry out the Secretary's duties under this Section.
- 17 (Source: P.A. 101-490, eff. 1-1-20.)
- 18 (625 ILCS 5/3-100.2)
- 19 Sec. 3-100.2. Electronic access; agreements with 20 submitters.
- 21 (a) No later than July 1, 2022 2021, the Secretary of State
  22 shall require a licensee under Chapter 3 or 5 of this Code to
  23 submit any record required to be submitted to the Secretary of
  24 State by using electronic media deemed feasible by the
  25 Secretary of State. The Secretary of State may also require

- the licensee to submit the original paper record. The
  Secretary of State shall also require a person or licensee to
  receive any record to be provided by the Secretary of State by
  using electronic media deemed feasible by the Secretary of
  State, instead of providing the original paper record.
  - (b) No later than July 1, 2022 2021, electronic submittal, receipt, and delivery of records and electronic signatures shall be supported by a signed agreement between the Secretary of State and the submitter. The agreement shall require, at a minimum, each record to include all information necessary to complete a transaction, certification by the submitter upon its best knowledge as to the truthfulness of the data to be submitted to the Secretary of State, and retention by the submitter of supporting records.
  - (c) No later than July 1, 2022 2021, the Secretary of State shall establish minimum transaction volume levels, audit and security standards, technological requirements, and other terms and conditions he or she deems necessary for approval of the electronic delivery process.
  - (d) When an agreement is made to accept electronic records, the Secretary of State shall not be required to produce a written record for the submitter with whom the Secretary of State has the agreement until requested to do so by the submitter.
  - (e) No later than July 1,  $\underline{2022}$   $\underline{2021}$ , the Secretary of State shall provide electronic notification to the lienholder

submitter to verify the notation and perfection of 1 2 lienholder's security interest in a vehicle on the certificate of title required to be created as an electronic record under 3 Section 3-100.1. Upon receipt of an electronic message from a 5 lienholder submitter with a security interest in a vehicle for which the certificate of title is an electronic record that 6 the lien should be released, the Secretary of State shall 7 8 enter the appropriate electronic record of the release of lien 9 and print and mail a paper certificate of title to the owner or 10 lienholder at no expense. The Secretary of State may also mail 11 the certificate to any other person that delivers to the 12 Secretary of State an authorization from the owner to receive 13 the certificate. If another lienholder holds a properly 14 perfected security interest in the vehicle as reflected in the 15 records of the Secretary of State, the certificate shall be 16 delivered to that lienholder instead of the owner.

- 17 (f) The Secretary may contract with a private contractor 18 to carry out the Secretary's duties under this Section.
- 19 (Source: P.A. 101-490, eff. 1-1-20.)
- 20 Section 99. Effective date. This Act takes effect upon 21 becoming law.