



Rep. Joe Sosnowski

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10200HB2840ham001

LRB102 05073 RAM 25042 a

1 AMENDMENT TO HOUSE BILL 2840

2 AMENDMENT NO. _____. Amend House Bill 2840 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Vehicle Code is amended by
5 changing Sections 1-164.5, 7-203, 7-311, 7-317, and 12-707.01
6 as follows:

7 (625 ILCS 5/1-164.5)

8 Sec. 1-164.5. Proof of financial responsibility. Proof of
9 ability to respond in damages for any liability thereafter
10 incurred resulting from the ownership, maintenance, use or
11 operation of a motor vehicle for bodily injury to or death of
12 any person in the amount of \$30,000 ~~\$25,000~~, and subject to
13 this limit for any one person injured or killed, in the amount
14 of \$50,000 for bodily injury to or death of 2 or more persons
15 in any one accident, and for damage to property in the amount
16 of \$20,000 resulting from any one accident. This proof in

1 these amounts shall be furnished for each motor vehicle
2 registered by every person required to furnish this proof. The
3 changes to this Section made by this amendatory Act of the 98th
4 General Assembly apply only to policies issued or renewed on
5 or after January 1, 2015.

6 (Source: P.A. 98-519, eff. 1-1-15.)

7 (625 ILCS 5/7-203) (from Ch. 95 1/2, par. 7-203)

8 Sec. 7-203. Requirements as to policy or bond. No such
9 policy or bond referred to in Section 7-202 shall be effective
10 under this Section unless issued by an insurance company or
11 surety company authorized to do business in this State, except
12 that if such motor vehicle was not registered in this State, or
13 was a motor vehicle which was registered elsewhere than in
14 this State at the effective date of the policy or bond, or the
15 most recent renewal thereof, such policy or bond shall not be
16 effective under this Section unless the insurance company or
17 surety company, if not authorized to do business in this
18 State, shall execute a power of attorney authorizing the
19 Secretary of State to accept service on its behalf of notice or
20 process in any action upon such policy or bond arising out of
21 such motor vehicle accident. However, every such policy or
22 bond is subject, if the motor vehicle accident has resulted in
23 bodily injury or death, to a limit, exclusive of interest and
24 costs, of not less than \$30,000 ~~\$25,000~~ because of bodily
25 injury to or death of any one person in any one motor vehicle

1 accident and, subject to said limit for one person, to a limit
2 of not less than \$50,000 because of bodily injury to or death
3 of 2 or more persons in any one motor vehicle accident, and, if
4 the motor vehicle accident has resulted in injury to or
5 destruction of property, to a limit of not less than \$20,000
6 because of injury to or destruction of property of others in
7 any one motor vehicle accident. The changes to this Section
8 made by this amendatory Act of the 98th General Assembly apply
9 only to policies issued or renewed on or after January 1, 2015.

10 Upon receipt of a written motor vehicle accident report
11 from the Administrator the insurance company or surety company
12 named in such notice shall notify the Administrator within
13 such time and in such manner as the Administrator may require,
14 in case such policy or bond was not in effect at the time of
15 such motor vehicle accident.

16 (Source: P.A. 98-519, eff. 1-1-15.)

17 (625 ILCS 5/7-311) (from Ch. 95 1/2, par. 7-311)

18 Sec. 7-311. Payments sufficient to satisfy requirements.

19 (a) Judgments herein referred to arising out of motor
20 vehicle accidents occurring on or after January 1, 2015 (the
21 effective date of Public Act 98-519) shall for the purpose of
22 this Chapter be deemed satisfied:

23 1. when \$30,000 ~~\$25,000~~ has been credited upon any
24 judgment or judgments rendered in excess of that amount
25 for bodily injury to or the death of one person as the

1 result of any one motor vehicle accident; or

2 2. when, subject to said limit of \$30,000 ~~\$25,000~~ as
3 to any one person, the sum of \$50,000 has been credited
4 upon any judgment or judgments rendered in excess of that
5 amount for bodily injury to or the death of more than one
6 person as the result of any one motor vehicle accident; or

7 3. when \$20,000 has been credited upon any judgment or
8 judgments, rendered in excess of that amount for damages
9 to property of others as a result of any one motor vehicle
10 accident.

11 The changes to this subsection made by Public Act 98-519
12 apply only to policies issued or renewed on or after January 1,
13 2015.

14 (b) Credit for such amounts shall be deemed a satisfaction
15 of any such judgment or judgments in excess of said amounts
16 only for the purposes of this Chapter.

17 (c) Whenever payment has been made in settlement of any
18 claim for bodily injury, death, or property damage arising
19 from a motor vehicle accident resulting in injury, death, or
20 property damage to two or more persons in such accident, any
21 such payment shall be credited in reduction of the amounts
22 provided for in this Section.

23 (Source: P.A. 99-78, eff. 7-20-15; 100-201, eff. 8-18-17.)

24 (625 ILCS 5/7-317) (from Ch. 95 1/2, par. 7-317)

25 Sec. 7-317. "Motor vehicle liability policy" defined.

1 (a) Certification. -A "motor vehicle liability policy", as
2 that term is used in this Act, means an "owner's policy" or an
3 "operator's policy" of liability insurance, certified as
4 provided in Section 7-315 or Section 7-316 as proof of
5 financial responsibility for the future, and issued, except as
6 otherwise provided in Section 7-316, by an insurance carrier
7 duly authorized to transact business in this State, to or for
8 the benefit of the person named therein as insured.

9 (b) Owner's Policy. --Such owner's policy of liability
10 insurance:

11 1. Shall designate by explicit description or by
12 appropriate reference, all motor vehicles with respect to
13 which coverage is thereby intended to be granted;

14 2. Shall insure the person named therein and any other
15 person using or responsible for the use of such motor
16 vehicle or vehicles with the express or implied permission
17 of the insured;

18 3. Shall insure every named insured and any other
19 person using or responsible for the use of any motor
20 vehicle owned by the named insured and used by such other
21 person with the express or implied permission of the named
22 insured on account of the maintenance, use or operation of
23 any motor vehicle owned by the named insured, within the
24 continental limits of the United States or the Dominion of
25 Canada against loss from liability imposed by law arising
26 from such maintenance, use or operation, to the extent and

1 aggregate amount, exclusive of interest and cost, with
2 respect to each motor vehicle, of \$30,000 ~~\$25,000~~ for
3 bodily injury to or death of one person as a result of any
4 one accident and, subject to such limit as to one person,
5 the amount of \$50,000 for bodily injury to or death of all
6 persons as a result of any one accident and the amount of
7 \$20,000 for damage to property of others as a result of any
8 one accident. The changes to this paragraph made by this
9 amendatory Act of the 98th General Assembly apply only to
10 policies issued or renewed on or after January 1, 2015.

11 (c) Operator's Policy. --When an operator's policy is
12 required, it shall insure the person named therein as insured
13 against the liability imposed by law upon the insured for
14 bodily injury to or death of any person or damage to property
15 to the amounts and limits above set forth and growing out of
16 the use or operation by the insured within the continental
17 limits of the United States or the Dominion of Canada of any
18 motor vehicle not owned by him.

19 (d) Required Statements in Policies. --Every motor vehicle
20 liability policy must specify the name and address of the
21 insured, the coverage afforded by the policy, the premium
22 charged therefor, the policy period, and the limits of
23 liability, and shall contain an agreement that the insurance
24 thereunder is provided in accordance with the coverage defined
25 in this Act, as respects bodily injury and death or property
26 damage or both, and is subject to all the provisions of this

1 Act.

2 (e) Policy Need Not Insure Workers' Compensation. --Any
3 liability policy or policies issued hereunder need not cover
4 any liability of the insured assumed by or imposed upon the
5 insured under any workers' compensation law nor any liability
6 for damage to property in charge of the insured or the
7 insured's employees.

8 (f) Provisions Incorporated in Policy. --Every motor
9 vehicle liability policy is subject to the following
10 provisions which need not be contained therein:

11 1. The liability of the insurance carrier under any
12 such policy shall become absolute whenever loss or damage
13 covered by the policy occurs and the satisfaction by the
14 insured of a final judgment for such loss or damage shall
15 not be a condition precedent to the right or obligation of
16 the carrier to make payment on account of such loss or
17 damage.

18 2. No such policy may be cancelled or annulled as
19 respects any loss or damage, by any agreement between the
20 carrier and the insured after the insured has become
21 responsible for such loss or damage, and any such
22 cancellation or annulment shall be void.

23 3. The insurance carrier shall, however, have the
24 right to settle any claim covered by the policy, and if
25 such settlement is made in good faith, the amount thereof
26 shall be deductible from the limits of liability specified

1 in the policy.

2 4. The policy, the written application therefor, if
3 any, and any rider or endorsement which shall not conflict
4 with the provisions of this Act shall constitute the
5 entire contract between the parties.

6 (g) Excess or Additional Coverage. --Any motor vehicle
7 liability policy may, however, grant any lawful coverage in
8 excess of or in addition to the coverage herein specified or
9 contain any agreements, provisions, or stipulations not in
10 conflict with the provisions of this Act and not otherwise
11 contrary to law.

12 (h) Reimbursement Provision Permitted. --The policy may
13 provide that the insured, or any other person covered by the
14 policy shall reimburse the insurance carrier for payment made
15 on account of any loss or damage claim or suit involving a
16 breach of the terms, provisions or conditions of the policy;
17 and further, if the policy shall provide for limits in excess
18 of the limits specified in this Act, the insurance carrier may
19 plead against any plaintiff, with respect to the amount of
20 such excess limits of liability, any defense which it may be
21 entitled to plead against the insured.

22 (i) Proration of Insurance Permitted. --The policy may
23 provide for the pro-rating of the insurance thereunder with
24 other applicable valid and collectible insurance.

25 (j) Binders. --Any binder pending the issuance of any
26 policy, which binder contains or by reference includes the

1 provisions hereunder shall be sufficient proof of ability to
2 respond in damages.

3 (k) Copy of Policy to Be Filed with Department of
4 Insurance--Approval. --A copy of the form of every motor
5 vehicle liability policy which is to be used to meet the
6 requirements of this Act must be filed, by the company
7 offering such policy, with the Department of Insurance, which
8 shall approve or disapprove the policy within 30 days of its
9 filing. If the Department approves the policy in writing
10 within such 30 day period or fails to take action for 30 days,
11 the form of policy shall be deemed approved as filed. If within
12 the 30 days the Department disapproves the form of policy
13 filed upon the ground that it does not comply with the
14 requirements of this Act, the Department shall give written
15 notice of its decision and its reasons therefor to the carrier
16 and the policy shall not be accepted as proof of financial
17 responsibility under this Act.

18 (l) Insurance Carrier Required to File Certificate. --An
19 insurance carrier who has issued a motor vehicle liability
20 policy or policies or an operator's policy meeting the
21 requirements of this Act shall, upon the request of the
22 insured therein, deliver to the insured for filing, or at the
23 request of the insured, shall file direct, with the Secretary
24 of State a certificate, as required by this Act, which shows
25 that such policy or policies have been issued. No insurance
26 carrier may require the payment of any extra fee or surcharge,

1 in addition to the insurance premium, for the execution,
2 delivery or filing of such certificate.

3 (m) Proof When Made By Endorsement. --Any motor vehicle
4 liability policy which by endorsement contains the provisions
5 required hereunder shall be sufficient proof of ability to
6 respond in damages.

7 (Source: P.A. 98-519, eff. 1-1-15.)

8 (625 ILCS 5/12-707.01) (from Ch. 95 1/2, par. 12-707.01)
9 Sec. 12-707.01. Liability insurance.

10 (a) No school bus, first division vehicle including a taxi
11 which is used for a purpose that requires a school bus driver
12 permit, commuter van or motor vehicle owned by or used for hire
13 by and in connection with the operation of private or public
14 schools, day camps, summer camps or nursery schools, and no
15 commuter van or passenger car used for a for-profit
16 ridesharing arrangement, shall be operated for such purposes
17 unless the owner thereof shall carry a minimum of personal
18 injury liability insurance in the amount of \$30,000 ~~\$25,000~~
19 for any one person in any one accident, and subject to the
20 limit for one person, \$100,000 for two or more persons injured
21 by reason of the operation of the vehicle in any one accident.
22 This subsection (a) applies only to personal injury liability
23 policies issued or renewed before January 1, 2013.

24 (b) Liability insurance policies issued or renewed on and
25 after January 1, 2013 shall comply with the following:

1 (1) except as provided in subparagraph (2) of this
2 subsection (b), any vehicle that is used for a purpose
3 that requires a school bus driver permit under Section
4 6-104 of this Code shall carry a minimum of liability
5 insurance in the amount of \$2,000,000. This minimum
6 insurance requirement may be satisfied by either (i) a
7 \$2,000,000 combined single limit primary commercial
8 automobile policy; or (ii) a \$1 million primary commercial
9 automobile policy and a minimum \$5,000,000 excess or
10 umbrella liability policy;

11 (2) any vehicle that is used for a purpose that
12 requires a school bus driver permit under Section 6-104 of
13 this Code and is used in connection with the operation of
14 private day care facilities, day camps, summer camps, or
15 nursery schools shall carry a minimum of liability
16 insurance in the amount of \$1,000,000 combined single
17 limit per accident;

18 (3) any commuter van or passenger car used for a
19 for-profit ridesharing arrangement shall carry a minimum
20 of liability insurance in the amount of \$500,000 combined
21 single limit per accident.

22 (c) Primary insurance coverage under the provisions of
23 this Section must be provided by a licensed and admitted
24 insurance carrier or an intergovernmental cooperative formed
25 under Section 10 of Article VII of the Illinois Constitution,
26 or Section 6 or 9 of the Intergovernmental Cooperation Act, or

1 provided by a certified self-insurer under Section 7-502 of
2 this Code. The excess or umbrella liability coverage
3 requirement may be met by securing surplus line insurance as
4 defined under Section 445 of the Illinois Insurance Code. If
5 the excess or umbrella liability coverage requirement is met
6 by securing surplus line insurance, that coverage must be
7 effected through a licensed surplus line producer acting under
8 the surplus line insurance laws and regulations of this State.
9 Nothing in this subsection (c) shall be construed as
10 prohibiting a licensed and admitted insurance carrier or an
11 intergovernmental cooperative formed under Section 10 of
12 Article VII of the Illinois Constitution, or Section 6 or 9 of
13 the Intergovernmental Cooperation Act, or a certified
14 self-insurer under Section 7-502 of this Code, from retaining
15 the risk required under paragraphs (1) and (2) of subsection
16 (b) of this Section or issuing a single primary policy meeting
17 the requirements of paragraphs (1) and (2) of subsection (b).

18 (d) Each owner of a vehicle required to obtain the minimum
19 liability requirements under subsection (b) of this Section
20 shall attest that the vehicle meets the minimum insurance
21 requirements under this Section. The Secretary of State shall
22 create a form for each owner of a vehicle to attest that the
23 owner meets the minimum insurance requirements and the owner
24 of the vehicle shall submit the form with each registration
25 application. The form shall be valid for the full registration
26 period; however, if at any time the Secretary has reason to

1 believe that the owner does not have the minimum required
2 amount of insurance for a vehicle, then the Secretary may
3 require a certificate of insurance, or its equivalent, to
4 ensure the vehicle is insured. If the owner fails to produce a
5 certificate of insurance, or its equivalent, within 2 calendar
6 days after the request was made, then the Secretary may revoke
7 the vehicle owner's registration until the Secretary is
8 assured the vehicle meets the minimum insurance requirements.
9 If the owner of a vehicle participates in an intergovernmental
10 cooperative or is self-insured, then the owner shall attest
11 that the insurance required under this Section is equivalent
12 to or greater than the insurance required under paragraph (1)
13 of subsection (b) of this Section. The Secretary may adopt any
14 rules necessary to enforce the provisions of this subsection
15 (d).
16 (Source: P.A. 99-595, eff. 1-1-17.)".