

## 97TH GENERAL ASSEMBLY State of Illinois 2011 and 2012 HB5384

Introduced 2/15/2012, by Rep. Richard Morthland

## SYNOPSIS AS INTRODUCED:

625 ILCS 5/3-415 from Ch. 95 1/2, par. 3-415 from Ch. 95 1/2, par. 7-601

Amends the Illinois Vehicle Code. Provides that the Secretary of State may not register or renew the registration of any vehicle that is subject to liability insurance requirements without first verifying that the vehicle is covered by liability insurance in amounts no less than the statutory minimums.

LRB097 19059 HEP 64298 b

FISCAL NOTE ACT MAY APPLY

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 3-415 and 7-601 as follows:
- 6 (625 ILCS 5/3-415) (from Ch. 95 1/2, par. 3-415)
- 7 Sec. 3-415. Application for and renewal of registration.
  - (a) Calendar year. Application for renewal of a vehicle registration shall be made by the owner, as to those vehicles required to be registered on a calendar registration year, not later than December 1 of each year, upon proper application and by payment of the registration fee and tax for such vehicle, as provided by law except that application for renewal of a vehicle registration, as to those vehicles required to be registered on a staggered calendar year basis, shall be made by the owner in the form and manner prescribed by the Secretary of State.
    - (b) Fiscal year. Application for renewal of a vehicle registration shall be made by the owner, as to those vehicles required to be registered on a fiscal registration year, not later than June 1 of each year, upon proper application and by payment of the registration fee and tax for such vehicle as provided by law, except that application for renewal of a

- vehicle registration, as to those vehicles required to be registered on a staggered fiscal year basis, shall be made by the owner in the form and manner prescribed by the Secretary of State.
  - (c) Two calendar years. Application for renewal of a vehicle registration shall be made by the owner, as to those vehicles required to be registered for 2 calendar years, not later than December 1 of the year preceding commencement of the 2-year registration period, except that application for renewal of a vehicle registration, as to those vehicles required to be registered for 2 years on a staggered registration basis, shall be made by the owner in the form and manner prescribed by the Secretary of State.
  - (d) Two fiscal years. Application for renewal of a vehicle registration shall be made by the owner, as to those vehicles required to be registered for 2 fiscal years, not later than June 1 immediately preceding commencement of the 2-year registration period, except that application for renewal of a vehicle registration, as to those vehicles required to be registered for 2 fiscal years on a staggered registration basis, shall be made by the owner in the form and manner prescribed by the Secretary of State.
  - (d-5) Three calendar years. Application for renewal of a vehicle registration shall be made by the owner, as to those vehicles required to be registered for 3 calendar years, not later than December 1 of the year preceding commencement of the

- 3-year registration period.
- 2 (e) Time of application. The Secretary of State may receive 3 applications for renewal of registration and grant the same and 4 issue new registration cards and plates or registration 5 stickers at any time prior to expiration of registration. No 6 person shall display upon a vehicle, the new registration
- o person sharr arspray apon a venicle, the new registration
- 7 plates or registration stickers prior to the dates the
- 8 Secretary of State in his discretion may select.
- 9 (f) Verification. The Secretary of State may further 10 require, as to vehicles for-hire, that applications be 11 accompanied by verification that fees due under the Illinois 12 Motor Carrier of Property Law, as amended, have been paid.
- 13 (g) Applications for registration renewal shall include information relating to the insurance policy for the motor 14 15 vehicle, including the name of the insurer that issued the 16 policy, the policy number, and the expiration date of the 17 policy. The Secretary of State may not register or renew the registration of any vehicle that is subject to the requirements 18 19 of subsection (a) of Section 7-601 of this Code without first 20 verifying that the vehicle is insured in conformity with the requirements of that subsection. 21
- 22 (Source: P.A. 96-747, eff. 1-1-10.)
- 23 (625 ILCS 5/7-601) (from Ch. 95 1/2, par. 7-601)
- Sec. 7-601. Required liability insurance policy.
- 25 (a) No person shall operate, register or maintain

registration of, and no owner shall permit another person to operate, register or maintain registration of, a motor vehicle designed to be used on a public highway unless the motor vehicle is covered by a liability insurance policy.

The insurance policy shall be issued in amounts no less than the minimum amounts set for bodily injury or death and for destruction of property under Section 7-203 of this Code, and shall be issued in accordance with the requirements of Sections 143a and 143a-2 of the Illinois Insurance Code, as amended. No insurer other than an insurer authorized to do business in this State shall issue a policy pursuant to this Section for any vehicle subject to registration under this Code. Nothing herein shall deprive an insurer of any policy defense available at common law.

- (b) The following vehicles are exempt from the requirements of this Section:
  - (1) vehicles subject to the provisions of Chapters 8 or 18a, Article III or Section 7-609 of Chapter 7, or Sections 12-606 or 12-707.01 of Chapter 12 of this Code;
  - (2) vehicles required to file proof of liability insurance with the Illinois Commerce Commission;
  - (3) vehicles covered by a certificate of self-insurance under Section 7-502 of this Code;
  - (4) vehicles owned by the United States, the State of Illinois, or any political subdivision, municipality or local mass transit district;

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- (5) implements of husbandry;
- 2 (6) other vehicles complying with laws which require 3 them to be insured in amounts meeting or exceeding the 4 minimum amounts required under this Section; and
  - (7) inoperable or stored vehicles that are not operated, as defined by rules and regulations of the Secretary.
  - (c) Every employee of a State agency, as that term is defined in the Illinois State Auditing Act, who is assigned a specific vehicle owned or leased by the State on an ongoing basis shall provide the certification described in this Section annually to the director or chief executive officer of his or her agency.

The certification shall affirm that the employee is duly licensed to drive the assigned vehicle and that (i) employee has liability insurance coverage extending to the employee when the assigned vehicle is used for other than official State business, or (ii) the employee has filed a bond the Secretary of State as proof of financial responsibility, in an amount equal to, or in excess of the requirements stated within this Section. Upon request of the agency director or chief executive officer, the employee shall present evidence to support the certification.

The certification shall be provided during the period July 1 through July 31 of each calendar year, or within 30 days of any new assignment of a vehicle on an ongoing basis, whichever

- 1 is later.
- 2 The employee's authorization to use the assigned vehicle
- 3 shall automatically be rescinded upon:
- 4 (1) the revocation or suspension of the license
- 5 required to drive the assigned vehicle;
- 6 (2) the cancellation or termination for any reason of
- 7 the automobile liability insurance coverage as required in
- 8 item (c) (i); or
- 9 (3) the termination of the bond filed with the
- 10 Secretary of State.
- 11 All State employees providing the required certification
- shall immediately notify the agency director or chief executive
- officer in the event any of these actions occur.
- 14 All peace officers employed by a State agency who are
- 15 primarily responsible for prevention and detection of crime and
- the enforcement of the criminal, traffic, or highway laws of
- this State, and prohibited by agency rule or policy to use an
- 18 assigned vehicle owned or leased by the State for regular
- 19 personal or off-duty use, are exempt from the requirements of
- 20 this Section.
- 21 (d) The Secretary of State may not register or renew the
- registration of any vehicle that is subject to the requirements
- of subsection (a) of this Section without first verifying that
- 24 the vehicle is insured in conformity with the requirements of
- 25 that subsection.
- 26 (Source: P.A. 91-661, eff. 12-22-99.)