1   AN ACT concerning regulation.

2   **Be it enacted by the People of the State of Illinois,**

3   **represented in the General Assembly:**

4   Section 5. The Illinois Vehicle Code is amended by changing

5   Sections 7-604 and 7-607 and by adding Section 7-604.5 as

6   follows:

7   (625 ILCS 5/7-604) (from Ch. 95 1/2, par. 7-604)

8   (Section scheduled to be repealed on December 31, 2016)

9   Sec. 7-604. Verification of liability insurance policy.

10   (a) The Secretary of State may select random samples of

11   registrations of motor vehicles subject to Section 7-601 of

12   this Code, or owners thereof, for the purpose of verifying

13   whether or not the motor vehicles are insured.

14   In addition to such general random samples of motor vehicle

15   registrations, the Secretary may select for verification other

16   random samples, including, but not limited to registrations of

17   motor vehicles owned by persons:

18   (1) whose motor vehicle registrations during the

19   preceding 4 years have been suspended pursuant to Section

20   7-606 or 7-607 of this Code;

21   (2) who during the preceding 4 years have been

22   convicted of violating Section 3-707, 3-708 or 3-710 of

23   this Code while operating vehicles owned by other persons;

1   (3) whose driving privileges have been suspended

2   during the preceding 4 years;

3   (4) who during the preceding 4 years acquired ownership

4   of motor vehicles while the registrations of such vehicles

5   under the previous owners were suspended pursuant to

6   Section 7-606 or 7-607 of this Code; or

7   (5) who during the preceding 4 years have received a

8   disposition of supervision under subsection (c) of Section

9   5-6-1 of the Unified Code of Corrections for a violation of

10   Section 3-707, 3-708, or 3-710 of this Code.

11   (b) Upon receiving certification from the Department of

12 Transportation under Section 7-201.2 of this Code of the name

13 of an owner or operator of any motor vehicle involved in an

14 accident, the Secretary may verify whether or not at the time

15 of the accident such motor vehicle was covered by a liability

16 insurance policy in accordance with Section 7-601 of this Code.

17   (c) In preparation for selection of random samples and

18 their verification, the Secretary may send to owners of

19 randomly selected motor vehicles, or to randomly selected motor

20 vehicle owners, requests for information about their motor

21 vehicles and liability insurance coverage. The request shall

22 require the owner to state whether or not the motor vehicle was

23 insured on the verification date stated in the Secretary's

24 request and the request may require, but is not limited to, a

25 statement by the owner of the names and addresses of insurers,

26 policy numbers, and expiration dates of insurance coverage.

1   (d) Within 30 days after the Secretary mails a request, the
2 owner to whom it is sent shall furnish the requested
3 information to the Secretary above the owner's signed
4 affirmation that such information is true and correct. Proof of
5 insurance in effect on the verification date, as prescribed by
6 the Secretary, may be considered by the Secretary to be a
7 satisfactory response to the request for information.

8   Any owner whose response indicates that his or her vehicle
9 was not covered by a liability insurance policy in accordance
10 with Section 7-601 of this Code shall be deemed to have
11 registered or maintained registration of a motor vehicle in
12 violation of that Section. Any owner who fails to respond to
13 such a request shall be deemed to have registered or maintained
14 registration of a motor vehicle in violation of Section 7-601
15 of this Code.

16   (e) If the owner responds to the request for information by
17 asserting that his or her vehicle was covered by a liability
18 insurance policy on the verification date stated in the
19 Secretary's request, the Secretary may conduct a verification
20 of the response by furnishing necessary information to the
21 insurer named in the response. The insurer shall within 45 days
22 inform the Secretary whether or not on the verification date
23 stated the motor vehicle was insured by the insurer in
24 accordance with Section 7-601 of this Code. The Secretary may
25 by rule and regulation prescribe the procedures for
26 verification.

1   (f) No random sample selected under this Section shall be

2   categorized on the basis of race, color, religion, sex,

3   national origin, ancestry, age, marital status, physical or

4   mental disability, economic status or geography.

5   (f-5) This Section shall be inoperative upon the effective

6   date of the rules adopted by the Secretary to implement Section

7   7-604.5 of this Code.

8   (g) This Section is repealed on December 31, 2016.

9   (Source: P.A. 98-787, eff. 7-25-14; 99-333, eff. 12-30-15 (see

10   Section 15 of P.A. 99-483 for the effective date of changes

11   made by P.A. 99-333).)

12   (625 ILCS 5/7-604.5 new)

13   Sec. 7-604.5. Electronic verification of a liability

14   insurance policy.

15   (a) The Secretary may implement a program of electronic

16   motor vehicle liability insurance policy verification for

17   motor vehicles subject to Section 7-601 of this Code for the

18   purpose of verifying whether or not the motor vehicle is

19   insured. The program shall include, but is not limited to:

20   (1) a requirement that an insurance company authorized

21   to sell motor vehicle liability insurance in this State

22   shall make available, in a format designated by the

23   Secretary, to the Secretary for each motor vehicle

24   liability insurance policy issued by the company the

25   following information:

1   (A) the name of the policy holder;

2   (B) the make, model, year, and vehicle

3   identification number of the covered motor vehicle;

4   (C) the policy number;

5   (D) the policy effective date;

6   (E) the insurance company's National Association

7   of Insurance Commissioners number; and

8   (F) any other information the Secretary deems

9   necessary;

10   (2) a method for searching motor vehicle liability

11   insurance policies issued and in effect in this State by

12   using the information under subparagraphs (A), (B), or (C)

13   of paragraph (1) of this subsection (a);

14   (3) a requirement that at least twice per calendar

15   year, the Secretary shall verify the existence of a

16   liability insurance policy for every registered motor

17   vehicle subject to Section 7-601 of this Code; and if the

18   Secretary is unable to verify the existence of a liability

19   insurance policy, the Secretary shall send the vehicle

20   owner a written notice allowing the vehicle owner 30

21   calendar days to provide proof of insurance on the date of

22   the attempted verification, or to provide proof that the

23   vehicle is no longer operable;

24   (4) a requirement that a vehicle owner who does not

25   provide proof of insurance or proof of an inoperable

26   vehicle under paragraph (3) of this subsection (a) shall be

1   in violation of Section 7-601 of this Code and the

2   Secretary shall suspend the vehicle's registration and the

3   owner of the vehicle shall pay any applicable reinstatement

4   fees under Section 7-606 of this Code; and

5   (5) a requirement that if a vehicle owner provides

6   proof   of   insurance   on   the   date   of   the   attempted

7   verification under paragraph (3) of this subsection (a),

8   the Secretary shall verify the vehicle owner's response by

9   furnishing necessary information to the insurance company.

10   Within 7 calendar days of receiving the information, the

11   insurance company shall confirm and notify the Secretary

12   the dates of the motor vehicle's insurance coverage. If the

13   insurance company does not confirm coverage for the date of

14   the attempted verification, the Secretary shall suspend

15   the vehicle's registration and the owner of the vehicle

16   shall pay any applicable reinstatement fees under Section

17   7-606 of this Code.

18   (b)   In   addition   to   the   semi-annual   verification   of

19   liability insurance under subsection (a) of this Section, the

20   Secretary may select monthly verification for a motor vehicle,

21   including, but not limited to, a motor vehicle owned or

22   operated by a person:

23   (1)   whose   motor   vehicle   registration   during   the

24   preceding 4 years has been suspended under Section 7-606 or

25   7-607 of this Code;

26   (2) who, during the preceding 4 years, has been

1   convicted of violating Section 3-707, 3-708, or 3-710 of

2   this Code while operating a vehicle owned by another

3   person;

4   (3) whose driving privileges have been suspended

5   during the preceding 4 years;

6   (4) who, during the preceding 4 years, acquired

7   ownership of a motor vehicle while the registration of the

8   vehicle under the previous owner was suspended under

9   Section 7-606 or 7-607 of this Code; or

10   (5) who, during the preceding 4 years, has received a

11   disposition of supervision under subsection (c) of Section

12   5-6-1 of the Unified Code of Corrections for a violation of

13   Section 3-707, 3-708, or 3-710 of this Code.

14   (c) The Secretary may contract with a private contractor to

15   carry out the Secretary's duties under this Section.

16   (d) Nothing in this Section provides the Secretary with

17   regulatory authority over insurance companies.

18   (e) The Secretary may adopt any rules necessary to

19   implement this Section.

20   (625 ILCS 5/7-607) (from Ch. 95 1/2, par. 7-607)

21   Sec. 7-607. Submission of false proof - penalty. If the

22   Secretary determines that the proof of insurance submitted by a

23   motor vehicle owner under Section 7-604, 7-604.5, 7-605 or

24   7-606 of this Code is false, the Secretary shall suspend the

25   owner's vehicle registration. The Secretary shall terminate

1   the suspension 6 months after its effective date upon payment

2   by the owner of a reinstatement fee of $200 and submission of

3   proof of insurance as prescribed by the Secretary.

4   All fees collected under this Section shall be disbursed

5   under subsection (g) of Section 2-119 of this Code.

6   (Source: P.A. 99-127, eff. 1-1-16.)

7   Section 96. No revival or extension. This Act does not

8   revive or extend any Section or Act otherwise repealed.