

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 3-704.1 and adding Section 11-1430.1 as follows:

(625 ILCS 5/3-704.1)

Sec. 3-704.1. Municipal vehicle tax liability; suspension of registration.

(a) As used in this Section:

(1) "Municipality" means a city, village or incorporated town with a population over 1,000,000.

(2) "Vehicle tax" means a motor vehicle tax and any related late fees or charges imposed by a municipality under Section 8-11-4 or the Illinois Municipal Code or under the municipality's home rule powers.

(3) "Vehicle owner" means the registered owner or owners of a vehicle who are residents of the municipality.

(b) A municipality that imposes a vehicle tax may, by ordinance adopted under this Section, establish a system whereby the municipality notifies the Secretary of State of vehicle tax liability and the Secretary of State suspends the registration of vehicles for which the tax has not been paid. An ordinance establishing a system must provide for the

following:

(1) A first notice for failure to pay a vehicle tax shall be sent by first class mail to the vehicle owner at the owner's address recorded with the Secretary of State whenever the municipality has reasonable cause to believe that the vehicle owner has failed to pay a vehicle tax as required by ordinance. The notice shall include at least the following:

(A) The name and address of the vehicle owner.

(B) The registration plate number of the vehicle.

(C) The period for which the vehicle tax is due.

(D) The amount of vehicle tax that is due.

(E) A statement that the vehicle owner's registration for the vehicle will be subject to suspension proceedings unless the vehicle owner pays the vehicle tax or successfully contests the owner's alleged liability within 30 days of the date of the notice.

(F) An explanation of the vehicle owner's opportunity to be heard under subsection (c).

(2) If a vehicle owner fails to pay the vehicle tax or to contest successfully the owner's alleged liability within the period specified in the first notice, a second notice of impending registration suspension shall be sent by first class mail to the vehicle owner at the owner's address recorded with the Secretary of State. The notice

shall contain the same information as the first notice, but shall also state that the failure to pay the amount owing, or to contest successfully the alleged liability within 45 days of the date of the second notice, will result in the municipality's notification of the Secretary of State that the vehicle owner is eligible for initiation of suspension proceedings under this Section.

(c) An ordinance adopted under this Section must also give the vehicle owner an opportunity to be heard upon the filing of a timely petition with the municipality. A vehicle owner may contest the alleged tax liability either through an adjudication by mail or at an administrative hearing, at the option of the vehicle owner. The grounds upon which the liability may be contested may be limited to the following:

- (1) The alleged vehicle owner does not own the vehicle.
- (2) The vehicle is not subject to the vehicle tax by law.
- (3) The vehicle tax for the period in question has been paid.

At an administrative hearing, the formal or technical rules of evidence shall not apply. The hearing shall be recorded. The person conducting the hearing shall have the power to administer oaths and to secure by subpoena the attendance and testimony of witnesses and the production of relevant documents.

(d) If a vehicle owner who has been sent a first notice of

failure to pay a vehicle tax and a second notice of impending registration suspension fails to pay the vehicle tax or to contest successfully the vehicle owner's liability within the periods specified in the notices, the appropriate official shall cause a certified report to be sent to the Secretary of State under subsection (e).

(e) A report of a municipality notifying the Secretary of State of a vehicle owner's failure to pay a vehicle tax or related fines or penalties under this Section shall be certified by the appropriate official and shall contain the following:

(1) The name, last known address and registration plate number of the vehicle of the person who failed to pay the vehicle tax.

(2) The name of the municipality making the report.

(3) A statement that the municipality sent notices as required by subsection (b); the date on which the notices were sent; the address to which the notices were sent; and the date of the hearing, if any.

(f) Following receipt of the certified report under this Section, the Secretary of State shall notify the vehicle owner that the vehicle's registration will be suspended at the end of a reasonable specified period of time unless the Secretary of State is presented with a notice from the municipality certifying that the person has paid the necessary vehicle tax, or that inclusion of that person's name or registration number

on the certified report was in error. The Secretary's notice shall state in substance the information contained in the certified report from the municipality to the Secretary, and shall be effective as specified by subsection (c) of Section 6-211 of this Code. The notice shall also inform the person of the person's right to a hearing under subsection (g).

(g) An administrative hearing with the Office of the Secretary of State to contest an impending suspension or a suspension made under this Section may be had upon filing a written request with the Secretary of State. The filing fee for this hearing shall be \$20 to be paid at the time the request is made.

(1) The scope of any administrative hearing with the Secretary of State to contest an impending suspension under this Section shall be limited to the following issues:

(A) Whether the report of the appropriate official of the municipality was certified and contained the information required by this Section.

(B) Whether the municipality making the certified report to the Secretary of State established procedures by ordinance for persons to challenge the accuracy of the certified report.

(C) Whether the Secretary of State notified the vehicle owner that the vehicle's registration would be suspended at the end of the specified time period unless the Secretary of State was presented with a

notice from the municipality certifying that the person has purchased the necessary vehicle tax sticker or that inclusion of that person's name or registration number on the certified report was in error.

A municipality that files a certified report with the Secretary of State under this Section shall reimburse the Secretary for all reasonable costs incurred by the Secretary as a result of the filing of the report, including but not limited to the costs of providing the notice required under subsection (f) and the costs incurred by the Secretary in any hearing conducted with respect to the report under this subsection and any appeal from that hearing.

(h) After the expiration of the time specified under subsection (g), the Secretary of State shall, unless the suspension is successfully contested, suspend the registration of the vehicle until the Secretary receives notice under subsection (i).

(i) Any municipality making a certified report to the Secretary of State under this subsection shall notify the Secretary of State, in a form prescribed by the Secretary, whenever a person named in the certified report has subsequently paid a vehicle tax or whenever the municipality determines that the original report was in error. A certified copy of the notification shall also be given upon request and at no additional charge to the person named in the report. Upon receipt of the notification or presentation of a certified copy

of the notification by the municipality, the Secretary of State shall terminate the suspension.

(j) To facilitate enforcement of municipal vehicle tax liability, a municipality may provide by ordinance for a program of vehicle immobilization as provided by Section 11-1430.1 of this Code.

(Source: P.A. 87-1225.)

(625 ILCS 5/11-1430.1 new)

Sec. 11-1430.1. Vehicle immobilization for failure to pay municipal vehicle tax violation liability.

(a) A municipality may provide by ordinance for a program of vehicle immobilization to facilitate enforcement of municipal vehicle tax liability. The program of vehicle immobilization shall provide for immobilizing an eligible vehicle upon the public way by presence of a restraint in a manner to prevent operation of the vehicle. An ordinance establishing a program of vehicle immobilization under this Section shall include the following provisions:

(1) A vehicle shall be eligible for immobilization when the registered owner of the vehicle has accumulated the number of unpaid final determinations of vehicle tax violation liability or other violation liability under subsection (c) of Section 11-208.3 of this Code, or both.

(2) The vehicle owner shall be provided with notice of the impending vehicle immobilization and the right to a

hearing to challenge the validity of the action by disproving liability for unpaid final determinations of vehicle tax or other violation liability under subsection (c) of Section 11-208.3 of this Code.

(3) The vehicle owner shall have the right to a prompt hearing after a vehicle has been immobilized or subsequently towed for nonpayment of outstanding fines and penalties for which final determinations have been issued. An order issued after the hearing is a final administrative decision within the meaning of Section 3-101 of the Code of Civil Procedure.

(4) A post-immobilization and post-towing notice shall be provided to the registered owner of the vehicle advising the registered owner of the right to a hearing to challenge the validity of the impoundment.

(b) Judicial review of final determinations of vehicle tax violations and final administrative decisions issued after hearings regarding vehicle immobilization and impoundment made under this Section shall be subject to the Administrative Review Law.

(c) A fine, penalty, or part thereof, remaining unpaid after the exhaustion of, or the failure to exhaust, administrative remedies and the conclusion of judicial review procedures shall be a debt due and owing the municipality and, as such, may be collected in accordance with applicable law. Payment in full of any fine or penalty resulting from a vehicle



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tax violation shall constitute a final disposition of that violation.

Section 99. Effective date. This Act takes effect upon becoming law.