



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB0066

Introduced 1/9/2025, by Rep. Diane Blair-Sherlock

SYNOPSIS AS INTRODUCED:

625 ILCS 5/1-164.5	
625 ILCS 5/7-203	from Ch. 95 1/2, par. 7-203
625 ILCS 5/7-311	from Ch. 95 1/2, par. 7-311
625 ILCS 5/7-317	from Ch. 95 1/2, par. 7-317

Amends the Illinois Vehicle Code. Establishes that a motor vehicle owner shall provide a liability policy and every such policy or bond is subject, if the motor vehicle crash has resulted in bodily injury or death, to a limit, exclusive of interest and costs, of not less than \$50,000 (rather than \$25,000) because of bodily injury to or death of any one person in any one motor vehicle crash and, subject to said limit for one person, to a limit of not less than \$100,000 (rather \$50,000) because of bodily injury to or death of 2 or more persons in any one motor vehicle crash, and, if the motor vehicle crash has resulted in injury to or destruction of property, to a limit of not less than \$40,000 (rather than \$20,000). Requires a motor vehicle owner or any person that maintains, uses, or operates a motor vehicle to furnish proof of financial responsibility in the amounts provided. Establishes that a judgment arising out of a motor vehicle crash is deemed satisfied once the specified policy amount is credited toward the judgment. Effective immediately.

LRB104 03014 RTM 13032 b

1 AN ACT concerning transportation.

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
5 changing Sections 1-164.5, 7-203, 7-311, and 7-317 as follows:

6 (625 ILCS 5/1-164.5)

7 Sec. 1-164.5. Proof of financial responsibility. Proof of
8 ability to respond in damages for any liability thereafter
9 incurred resulting from the ownership, maintenance, use, or
10 operation of a motor vehicle for bodily injury to or death of
11 any person in the amount of \$50,000 ~~\$25,000~~, and subject to
12 this limit for any one person injured or killed, in the amount
13 of \$100,000 ~~\$50,000~~ for bodily injury to or death of 2 or more
14 persons in any one crash, and for damage to property in the
15 amount of \$40,000 ~~\$20,000~~ resulting from any one crash. This
16 proof in these amounts shall be furnished for each motor
17 vehicle registered by every person required to furnish this
18 proof. ~~The changes to this Section made by this amendatory Act~~
19 ~~of the 98th General Assembly apply only to policies issued or~~
20 ~~renewed on or after January 1, 2015.~~

21 (Source: P.A. 102-982, eff. 7-1-23.)

22 (625 ILCS 5/7-203) (from Ch. 95 1/2, par. 7-203)

1 Sec. 7-203. Requirements as to policy or bond. No such
2 policy or bond referred to in Section 7-202 shall be effective
3 under this Section unless issued by an insurance company or
4 surety company authorized to do business in this State, except
5 that if such motor vehicle was not registered in this State, or
6 was a motor vehicle which was registered elsewhere than in
7 this State at the effective date of the policy or bond, or the
8 most recent renewal thereof, such policy or bond shall not be
9 effective under this Section unless the insurance company or
10 surety company, if not authorized to do business in this
11 State, shall execute a power of attorney authorizing the
12 Secretary of State to accept service on its behalf of notice or
13 process in any action upon such policy or bond arising out of
14 such motor vehicle crash. However, every such policy or bond
15 is subject, if the motor vehicle crash has resulted in bodily
16 injury or death, to a limit, exclusive of interest and costs,
17 of not less than \$50,000 ~~\$25,000~~ because of bodily injury to or
18 death of any one person in any one motor vehicle crash and,
19 subject to said limit for one person, to a limit of not less
20 than \$100,000 ~~\$50,000~~ because of bodily injury to or death of 2
21 or more persons in any one motor vehicle crash, and, if the
22 motor vehicle crash has resulted in injury to or destruction
23 of property, to a limit of not less than \$40,000 ~~\$20,000~~
24 because of injury to or destruction of property of others in
25 any one motor vehicle crash. ~~The changes to this Section made~~
26 ~~by this amendatory Act of the 98th General Assembly apply only~~

1 ~~to policies issued or renewed on or after January 1, 2015.~~

2 Upon receipt of a written motor vehicle crash report from
3 the Administrator the insurance company or surety company
4 named in such notice shall notify the Administrator within
5 such time and in such manner as the Administrator may require,
6 in case such policy or bond was not in effect at the time of
7 such motor vehicle crash.

8 (Source: P.A. 102-982, eff. 7-1-23.)

9 (625 ILCS 5/7-311) (from Ch. 95 1/2, par. 7-311)

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

11 (a) Judgments herein referred to arising out of motor
12 vehicle crashes occurring on or after January 1, 2015 (the
13 effective date of Public Act 98-519) shall for the purpose of
14 this Chapter be deemed satisfied:

15 1. when \$50,000 ~~\$25,000~~ has been credited upon any
16 judgment or judgments rendered in excess of that amount
17 for bodily injury to or the death of one person as the
18 result of any one motor vehicle crash; or

19 2. when, subject to said limit of \$50,000 ~~\$25,000~~ as
20 to any one person, the sum of \$100,000 ~~\$50,000~~ has been
21 credited upon any judgment or judgments rendered in excess
22 of that amount for bodily injury to or the death of more
23 than one person as the result of any one motor vehicle
24 crash; or

25 3. when \$40,000 ~~\$20,000~~ has been credited upon any

1 judgment or judgments, rendered in excess of that amount
2 for damages to property of others as a result of any one
3 motor vehicle crash.

4 ~~The changes to this subsection made by Public Act 98-519~~
5 ~~apply only to policies issued or renewed on or after January 1,~~
6 ~~2015.~~

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

10 (c) Whenever payment has been made in settlement of any
11 claim for bodily injury, death, or property damage arising
12 from a motor vehicle crash resulting in injury, death, or
13 property damage to 2 ~~two~~ or more persons in such crash, any
14 such payment shall be credited in reduction of the amounts
15 provided for in this Section.

16 (Source: P.A. 102-982, eff. 7-1-23.)

17 (625 ILCS 5/7-317) (from Ch. 95 1/2, par. 7-317)

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

19 (a) Certification. -A "motor vehicle liability policy", as
20 that term is used in this Act, means an "owner's policy" or an
21 "operator's policy" of liability insurance, certified as
22 provided in Section 7-315 or Section 7-316 as proof of
23 financial responsibility for the future, and issued, except as
24 otherwise provided in Section 7-316, by an insurance carrier
25 duly authorized to transact business in this State, to or for

1 the benefit of the person named therein as insured.

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

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

7 2. Shall insure the person named therein and any other
8 person using or responsible for the use of such motor
9 vehicle or vehicles with the express or implied permission
10 of the insured;

11 3. Shall insure every named insured and any other
12 person using or responsible for the use of any motor
13 vehicle owned by the named insured and used by such other
14 person with the express or implied permission of the named
15 insured on account of the maintenance, use, or operation
16 of any motor vehicle owned by the named insured, within
17 the continental limits of the United States or the
18 Dominion of Canada against loss from liability imposed by
19 law arising from such maintenance, use, or operation, to
20 the extent and aggregate amount, exclusive of interest and
21 cost, with respect to each motor vehicle, of \$50,000
22 ~~\$25,000~~ for bodily injury to or death of one person as a
23 result of any one crash and, subject to such limit as to
24 one person, the amount of \$100,000 ~~\$50,000~~ for bodily
25 injury to or death of all persons as a result of any one
26 crash and the amount of \$40,000 ~~\$20,000~~ for damage to

1 property of others as a result of any one crash. ~~The~~
2 ~~changes to this paragraph made by this amendatory Act of~~
3 ~~the 98th General Assembly apply only to policies issued or~~
4 ~~renewed on or after January 1, 2015.~~

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

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

22 (e) Policy Need Not Insure Workers' Compensation. --Any
23 liability policy or policies issued hereunder need not cover
24 any liability of the insured assumed by or imposed upon the
25 insured under any workers' compensation law nor any liability
26 for damage to property in charge of the insured or the

1 insured's employees.

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

5 1. The liability of the insurance carrier under any
6 such policy shall become absolute whenever loss or damage
7 covered by the policy occurs and the satisfaction by the
8 insured of a final judgment for such loss or damage shall
9 not be a condition precedent to the right or obligation of
10 the carrier to make payment on account of such loss or
11 damage.

12 2. No such policy may be cancelled or annulled as
13 respects any loss or damage, by any agreement between the
14 carrier and the insured after the insured has become
15 responsible for such loss or damage, and any such
16 cancellation or annulment shall be void.

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

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

26 (g) Excess or Additional Coverage. --Any motor vehicle

1 liability policy may, however, grant any lawful coverage in
2 excess of or in addition to the coverage herein specified or
3 contain any agreements, provisions, or stipulations not in
4 conflict with the provisions of this Act and not otherwise
5 contrary to law.

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

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

19 (j) Binders. --Any binder pending the issuance of any
20 policy, which binder contains or by reference includes the
21 provisions hereunder shall be sufficient proof of ability to
22 respond in damages.

23 (k) Copy of Policy to Be Filed with Department of
24 Insurance--Approval. --A copy of the form of every motor
25 vehicle liability policy which is to be used to meet the
26 requirements of this Act must be filed, by the company

1 offering such policy, with the Department of Insurance, which
2 shall approve or disapprove the policy within 30 days of its
3 filing. If the Department approves the policy in writing
4 within such 30 day period or fails to take action for 30 days,
5 the form of policy shall be deemed approved as filed. If within
6 the 30 days the Department disapproves the form of policy
7 filed upon the ground that it does not comply with the
8 requirements of this Act, the Department shall give written
9 notice of its decision and its reasons therefor to the carrier
10 and the policy shall not be accepted as proof of financial
11 responsibility under this Act.

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

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

1 (Source: P.A. 102-982, eff. 7-1-23.)

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