



## 94TH GENERAL ASSEMBLY

### State of Illinois

2005 and 2006

HB4776

Introduced 1/18/2006, by Rep. Naomi D. Jakobsson

#### SYNOPSIS AS INTRODUCED:

215 ILCS 5/143.26b new  
625 ILCS 5/7-612 new

Amends the Illinois Insurance Code. Requires insurers issuing policies of automobile insurance to report to the Secretary of State when insureds cancel their automobile insurance policies or do not renew their automobile insurance policies. Amends the Illinois Vehicle Code. Requires the Secretary of State to maintain a database of drivers' automobile insurance coverage and track any lapses in coverage or cancellations. Provides that the Secretary of State may suspend the motor vehicle registration of any person found to have a history of purchasing insurance and cancelling or not renewing it and not obtaining automobile insurance with another insurer.

LRB094 17373 LJB 52668 b

FISCAL NOTE ACT  
MAY APPLY

1 AN ACT concerning insurance.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Illinois Insurance Code is amended by adding  
5 Section 143.26b as follows:

6 (215 ILCS 5/143.26b new)

7 Sec. 143.26b. Cancellation of automobile insurance by  
8 insureds. An insurance company that issues policies of  
9 automobile insurance shall report to the Secretary of State  
10 when an insured cancels his or her automobile insurance  
11 policies or does not renew his or her automobile insurance  
12 policies.

13 Section 10. The Illinois Vehicle Code is amended by adding  
14 Section 7-612 as follows:

15 (625 ILCS 5/7-612 new)

16 Sec. 7-612. Cancellation or nonrenewal of insurance  
17 policies.

18 (a) The Secretary of State shall maintain a database of  
19 drivers' automobile insurance coverage and track any lapses in  
20 coverage or cancellations.

21 (b) The Secretary of State may suspend the motor vehicle  
22 registration of any person found to have, on 2 or more  
23 occasions, purchased automobile insurance and canceled or not  
24 renewed the insurance and who has not obtained automobile  
25 insurance with another insurer.