

1 AN ACT in relation to vehicles.

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 adding Section 7-601.1 as follows:

6 (625 ILCS 5/7-601.1 new)

7 Sec. 7-601.1. Notice of cancellation or termination of  
8 liability insurance; cancellation of registration.

9 (a) An insurance carrier may not cancel or terminate a  
10 motor vehicle liability policy until it has notified the  
11 owner of the vehicle of the impending cancellation or  
12 termination. The insurance carrier also must notify the owner  
13 that the Secretary of State will be notified of the  
14 cancellation or termination of the policy, and that the  
15 owner's registration certificate, registration plates, and  
16 registration sticker will be revoked.

17 (b) The insurance carrier must notify the Secretary of  
18 State in writing of the cancellation or termination of the  
19 motor vehicle liability policy within 10 days of the date on  
20 which the cancellation or termination occurs.

21 (c) Upon receiving a written notice of the cancellation  
22 or termination of a motor vehicle liability policy under this  
23 Section, the Secretary of State must immediately suspend the  
24 registration certificate, registration plates, and  
25 registration sticker of the owner, with respect to his or her  
26 motor vehicle.

27 (d) The Secretary of State may not issue a registration  
28 certificate, plates, or sticker to a person whose  
29 registration has been revoked under this Section, unless the  
30 person has furnished proof of insurance in the form  
31 prescribed by the Secretary.