

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 Insurance Code is amended by
5 changing Section 1403 as follows:

6 (215 ILCS 5/1403)

7 Sec. 1403. Licensure requirements for financial
8 institutions.

9 (a) A financial institution transacting insurance business
10 in this State shall register with the Director pursuant to the
11 Illinois Insurance Code and shall be subject to the laws,
12 rules, and penalties of the Illinois Insurance Code.

13 (b) The solicitation and sale of insurance by a financial
14 institution shall be conducted only by individuals who have
15 been issued and maintain an insurance producer's license
16 pursuant to the Illinois Insurance Code and shall be subject to
17 the laws, rules, and penalties of the Illinois Insurance Code.

18 (c) For the purposes of this Section, a "financial
19 institution" means the subsidiary of a financial institution
20 when the financial institution is transacting insurance
21 business in this State only through the subsidiary. For the
22 purposes of Section 499.1 of the Illinois Insurance Code, a
23 financial institution shall be deemed to be a corporation.

1 (d) Nothing in Section 500-100 of this Code shall be
2 construed to require a limited lines producer license or any
3 other form or class of producer's license for financial
4 institutions, or their employees, if the financial institution
5 has purchased or sponsored a group credit life, credit accident
6 and health, credit casualty, credit property, or other group
7 credit insurance policy or program under which the financial
8 institution enrolls or performs other administrative services,
9 or both, to enable individuals to purchase insurance coverage
10 under the group credit insurance policy sold by a licensed
11 producer in compliance with Section 155.56. A financial
12 institution that performs enrollment or other administrative
13 services, or both, with respect to its group credit insurance
14 policies or programs shall be deemed to be in compliance with
15 paragraph (2) of subsection (b) of Section 500-20 of this Code.

16 (Source: P.A. 90-41, eff. 10-1-97.)

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