



Rep. Marcus C. Evans, Jr.

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1 AMENDMENT TO HOUSE BILL 2752

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 2752, AS AMENDED, by  
3 replacing everything after the enacting clause with the  
4 following:

5 "Section 5. The Criminal Identification Act is amended by  
6 changing Section 12 as follows:

7 (20 ILCS 2630/12)

8 Sec. 12. Entry of order; effect of expungement or sealing  
9 records.

10 (a) Except with respect to law enforcement agencies, the  
11 Department of Corrections, State's Attorneys, or other  
12 prosecutors, and as provided in Section 13 of this Act, an  
13 expunged or sealed record may not be considered by any private  
14 or public entity in employment matters, certification,  
15 licensing, revocation of certification or licensure, or  
16 registration. Applications for employment must contain

1 specific language which states that the applicant is not  
2 obligated to disclose sealed or expunged records of conviction  
3 or arrest. The entity authorized to grant a license,  
4 certification, or registration shall include in an application  
5 for licensure, certification, or registration specific  
6 language stating that the applicant is not obligated to  
7 disclose sealed or expunged records of a conviction or arrest;  
8 however, if the inclusion of that language in an application  
9 for licensure, certification, or registration is not  
10 practical, the entity shall publish on its website instructions  
11 specifying that applicants are not obligated to disclose sealed  
12 or expunged records of a conviction or arrest. Employers may  
13 not ask if an applicant has had records expunged or sealed.

14 (b) A person whose records have been sealed or expunged is  
15 not entitled to remission of any fines, costs, or other money  
16 paid as a consequence of the sealing or expungement. This  
17 amendatory Act of the 93rd General Assembly does not affect the  
18 right of the victim of a crime to prosecute or defend a civil  
19 action for damages. Persons engaged in civil litigation  
20 involving criminal records that have been sealed may petition  
21 the court to open the records for the limited purpose of using  
22 them in the course of litigation.

23 (Source: P.A. 93-211, eff. 1-1-04; 93-1084, eff. 6-1-05.)

24 Section 10. The Illinois Insurance Code is amended by  
25 changing Sections 500-30, 500-70, 1525, and 1555 and by adding

1 Sections 500-76 and 1550 as follows:

2 (215 ILCS 5/500-30)

3 (Section scheduled to be repealed on January 1, 2027)

4 Sec. 500-30. Application for license.

5 (a) An individual applying for a resident insurance  
6 producer license must make application on a form specified by  
7 the Director and declare under penalty of refusal, suspension,  
8 or revocation of the license that the statements made in the  
9 application are true, correct, and complete to the best of the  
10 individual's knowledge and belief. Before approving the  
11 application, the Director must find that the individual:

12 (1) is at least 18 years of age;

13 (2) has not committed any act that is a ground for  
14 denial, suspension, or revocation set forth in Section  
15 500-70 or 500-76 or the individual who committed the act  
16 has been sufficiently rehabilitated;

17 (3) has completed, if required by the Director, a  
18 pre-licensing course of study before the insurance exam for  
19 the lines of authority for which the individual has applied  
20 (an individual who successfully completes the Fire and  
21 Casualty pre-licensing courses also meets the requirements  
22 for Personal Lines-Property and Casualty);

23 (4) has paid the fees set forth in Section 500-135; and

24 (5) has successfully passed the examinations for the  
25 lines of authority for which the person has applied.

1 (b) A pre-licensing course of study for each class of  
2 insurance for which an insurance producer license is requested  
3 must be established in accordance with rules prescribed by the  
4 Director and must consist of the following minimum hours:

5 Class of Insurance	Number of
6	Hours
7 Life (Class 1 (a))	20
8 Accident and Health (Class 1(b) or 2(a))	20
9 Fire (Class 3)	20
10 Casualty (Class 2)	20
11 Personal Lines-Property Casualty	20
12 Motor Vehicle (Class 2(b) or 3(e))	12.5

13 7.5 hours of each pre-licensing course must be completed in  
14 a classroom setting, except Motor Vehicle, which would require  
15 5 hours in a classroom setting.

16 (c) A business entity acting as an insurance producer must  
17 obtain an insurance producer license. Application must be made  
18 using the Uniform Business Entity Application. Before  
19 approving the application, the Director must find that:

20 (1) the business entity has paid the fees set forth in  
21 Section 500-135; and

22 (2) the business entity has designated a licensed  
23 producer responsible for the business entity's compliance  
24 with the insurance laws and rules of this State.

25 (d) The Director may require any documents reasonably  
26 necessary to verify the information contained in an

1 application.

2 (Source: P.A. 96-839, eff. 1-1-10.)

3 (215 ILCS 5/500-70)

4 (Section scheduled to be repealed on January 1, 2027)

5 Sec. 500-70. License denial, nonrenewal, or revocation.

6 (a) The Director may place on probation, suspend, revoke,  
7 or refuse to issue or renew an insurance producer's license or  
8 may levy a civil penalty in accordance with this Section or  
9 take any combination of actions, for any one or more of the  
10 following causes:

11 (1) providing incorrect, misleading, incomplete, or  
12 materially untrue information in the license application;

13 (2) violating any insurance laws, or violating any  
14 rule, subpoena, or order of the Director or of another  
15 state's insurance commissioner;

16 (3) obtaining or attempting to obtain a license through  
17 misrepresentation or fraud;

18 (4) improperly withholding, misappropriating or  
19 converting any moneys or properties received in the course  
20 of doing insurance business;

21 (5) intentionally misrepresenting the terms of an  
22 actual or proposed insurance contract or application for  
23 insurance;

24 (6) for licensees, having been convicted of a felony,  
25 unless the individual demonstrates to the Director

1       sufficient rehabilitation to warrant the public trust;

2           (7) having admitted or been found to have committed any  
3 insurance unfair trade practice or fraud;

4           (8) using fraudulent, coercive, or dishonest  
5 practices, or demonstrating incompetence,  
6 untrustworthiness or financial irresponsibility in the  
7 conduct of business in this State or elsewhere;

8           (9) having an insurance producer license, or its  
9 equivalent, denied, suspended, or revoked in any other  
10 state, province, district or territory;

11           (10) forging a name to an application for insurance or  
12 to a document related to an insurance transaction;

13           (11) improperly using notes or any other reference  
14 material to complete an examination for an insurance  
15 license;

16           (12) knowingly accepting insurance business from an  
17 individual who is not licensed;

18           (13) failing to comply with an administrative or court  
19 order imposing a child support obligation;

20           (14) failing to pay state income tax or penalty or  
21 interest or comply with any administrative or court order  
22 directing payment of state income tax or failed to file a  
23 return or to pay any final assessment of any tax due to the  
24 Department of Revenue;

25           (15) failing to make satisfactory repayment to the  
26 Illinois Student Assistance Commission for a delinquent or

1 defaulted student loan; or

2 (16) failing to comply with any provision of the  
3 Viatical Settlements Act of 2009.

4 (b) If the action by the Director is to nonrenew, suspend,  
5 or revoke a license or to deny an application for a license,  
6 the Director shall notify the applicant or licensee and advise,  
7 in writing, the applicant or licensee of the reason for the  
8 suspension, revocation, denial or nonrenewal of the  
9 applicant's or licensee's license. The applicant or licensee  
10 may make written demand upon the Director within 30 days after  
11 the date of mailing for a hearing before the Director to  
12 determine the reasonableness of the Director's action. The  
13 hearing must be held within not fewer than 20 days nor more  
14 than 30 days after the mailing of the notice of hearing and  
15 shall be held pursuant to 50 Ill. Adm. Code 2402.

16 (c) The license of a business entity may be suspended,  
17 revoked, or refused if the Director finds, after hearing, that  
18 an individual licensee's violation was known or should have  
19 been known by one or more of the partners, officers, or  
20 managers acting on behalf of the partnership, corporation,  
21 limited liability company, or limited liability partnership  
22 and the violation was neither reported to the Director nor  
23 corrective action taken.

24 (d) In addition to or instead of any applicable denial,  
25 suspension, or revocation of a license, a person may, after  
26 hearing, be subject to a civil penalty of up to \$10,000 for

1 each cause for denial, suspension, or revocation, however, the  
2 civil penalty may total no more than \$100,000.

3 (e) The Director has the authority to enforce the  
4 provisions of and impose any penalty or remedy authorized by  
5 this Article against any person who is under investigation for  
6 or charged with a violation of this Code or rules even if the  
7 person's license or registration has been surrendered or has  
8 lapsed by operation of law.

9 (f) Upon the suspension, denial, or revocation of a  
10 license, the licensee or other person having possession or  
11 custody of the license shall promptly deliver it to the  
12 Director in person or by mail. The Director shall publish all  
13 suspensions, denials, or revocations after the suspensions,  
14 denials, or revocations become final in a manner designed to  
15 notify interested insurance companies and other persons.

16 (g) A person whose license is revoked or whose application  
17 is denied pursuant to this Section is ineligible to apply for  
18 any license for 3 years after the revocation or denial. A  
19 person whose license as an insurance producer has been revoked,  
20 suspended, or denied may not be employed, contracted, or  
21 engaged in any insurance related capacity during the time the  
22 revocation, suspension, or denial is in effect.

23 (Source: P.A. 96-736, eff. 7-1-10.)

24 (215 ILCS 5/500-76 new)

25 Sec. 500-76. Applicant convictions.



1       (a) The Director and the Department shall not require  
2 applicants to report the following information and shall not  
3 collect and consider the following criminal history records in  
4 connection with an insurance producer license application:

5           (1) Juvenile adjudications of delinquent minors as  
6 defined in Section 5-105 of the Juvenile Court Act of 1987,  
7 subject to the restrictions set forth in Section 5-130 of  
8 that Act.

9           (2) Law enforcement records, court records, and  
10 conviction records of an individual who was 17 years old at  
11 the time of the offense and before January 1, 2014, unless  
12 the nature of the offense required the individual to be  
13 tried as an adult.

14           (3) Records of arrest not followed by a formal charge  
15 or conviction.

16           (4) Records of arrest where charges were dismissed  
17 unless related to the duties and responsibilities of an  
18 insurance producer. However, applicants shall not be asked  
19 to report any arrests, and any arrest not followed by a  
20 conviction shall not be the basis of a denial and may be  
21 used only to assess an applicant's rehabilitation.

22           (5) Convictions overturned by a higher court.

23           (6) Convictions or arrests that have been sealed or  
24 expunged.

25       (b) The Director, upon a finding that an applicant for a  
26 license under this Act was previously convicted of a felony,

1 shall consider any mitigating factors and evidence of  
2 rehabilitation contained in the applicant's record, including  
3 any of the following factors and evidence, to determine if the  
4 prior conviction will impair the ability of the applicant to  
5 engage in the position for which a license is sought:

6 (1) the bearing, if any, of the offense for which the  
7 applicant was previously convicted on the duties and  
8 functions of the position for which a license is sought;

9 (2) whether the conviction suggests a future  
10 propensity to endanger the safety and property of others  
11 while performing the duties and responsibilities for which  
12 a license is sought;

13 (3) whether 5 years since a felony conviction or 3  
14 years since release from confinement for the conviction,  
15 whichever is later, have passed without a subsequent  
16 conviction;

17 (4) if the applicant was previously licensed or  
18 employed in this State or other states or jurisdictions,  
19 then the lack of prior misconduct arising from or related  
20 to the licensed position or position of employment;

21 (5) the age of the person at the time of the criminal  
22 offense;

23 (6) successful completion of sentence and, for  
24 applicants serving a term of parole or probation, a  
25 progress report provided by the applicant's probation or  
26 parole officer that documents the applicant's compliance

1 with conditions of supervision;

2 (7) evidence of the applicant's present fitness and  
3 professional character;

4 (8) evidence of rehabilitation or rehabilitative  
5 effort during or after incarceration or during or after a  
6 term of supervision, including, but not limited to, a  
7 certificate of good conduct under Section 5-5.5-25 of the  
8 Unified Code of Corrections or certificate of relief from  
9 disabilities under Section 5-5.5-10 of the Unified Code of  
10 Corrections; and

11 (9) any other mitigating factors that contribute to the  
12 person's potential and current ability to perform the  
13 duties and responsibilities of an insurance producer.

14 (c) If a nonresident licensee meets the standards set forth  
15 in items (1) through (4) of subsection (a) of Section 500-40  
16 and has received consent pursuant to 18 U.S.C. 1033(e) (2) from  
17 his or her home state, the Director shall grant the nonresident  
18 licensee a license.

19 (d) If the Director refuses to issue a license to an  
20 applicant based, in whole or in part, upon a conviction or  
21 convictions, then the Director shall notify the applicant of  
22 the denial in writing with the following included in the notice  
23 of denial:

24 (1) a statement about the decision to refuse to issue a  
25 license;

26 (2) a list of convictions that the Director determined

1       will impair the applicant's ability to engage in the  
2       position for which a license is sought;

3       (3) a list of the convictions that were the sole or  
4       partial basis for the refusal to issue a license; and

5       (4) a summary of the appeal process or the earliest the  
6       applicant may reapply for a license, whichever is  
7       applicable.

8       (215 ILCS 5/1525)

9       Sec. 1525. Resident license.

10       (a) Before issuing a public adjuster license to an  
11       applicant under this Section, the Director shall find that the  
12       applicant:

13               (1) is eligible to designate this State as his or her  
14               home state or is a nonresident who is not eligible for a  
15               license under Section 1540;

16               (2) is sufficiently rehabilitated in cases in which the  
17               applicant has ~~not~~ committed any act that is a ground for  
18               denial, suspension, or revocation of a license as set forth  
19               in Section 1555;

20               (3) is trustworthy, reliable, competent, and of good  
21               reputation, evidence of which may be determined by the  
22               Director;

23               (4) is financially responsible to exercise the license  
24               and has provided proof of financial responsibility as  
25               required in Section 1560 of this Article; and

1 (5) maintains an office in the home state of residence  
2 with public access by reasonable appointment or regular  
3 business hours. This includes a designated office within a  
4 home state of residence.

5 (b) In addition to satisfying the requirements of  
6 subsection (a) of this Section, an individual shall:

7 (1) be at least 18 years of age;

8 (2) have successfully passed the public adjuster  
9 examination;

10 (3) designate a licensed individual public adjuster  
11 responsible for the business entity's compliance with the  
12 insurance laws, rules, and regulations of this State; and

13 (4) designate only licensed individual public  
14 adjusters to exercise the business entity's license.

15 (c) The Director may require any documents reasonably  
16 necessary to verify the information contained in the  
17 application.

18 (Source: P.A. 96-1332, eff. 1-1-11.)

19 (215 ILCS 5/1550 new)

20 Sec. 1550. Applicant convictions.

21 (a) The Director and the Department shall not require  
22 applicants to report the following information and shall not  
23 collect or consider the following criminal history records in  
24 connection with a public adjuster license application:

25 (1) Juvenile adjudications of delinquent minors as

1 defined in Section 5-105 of the Juvenile Court Act of 1987,  
2 subject to the restrictions set forth in Section 5-130 of  
3 that Act.

4 (2) Law enforcement records, court records, and  
5 conviction records of an individual who was 17 years old at  
6 the time of the offense and before January 1, 2014, unless  
7 the nature of the offense required the individual to be  
8 tried as an adult.

9 (3) Records of arrest not followed by a formal charge  
10 or conviction.

11 (4) Records of arrest where charges were dismissed  
12 unless related to the duties and responsibilities of a  
13 public adjuster. However, applicants shall not be asked to  
14 report any arrests, and any arrest not followed by a  
15 conviction shall not be the basis of a denial and may be  
16 used only to assess an applicant's rehabilitation.

17 (5) Convictions overturned by a higher court.

18 (6) Convictions or arrests that have been sealed or  
19 expunged.

20 (b) The Director, upon a finding that an applicant for a  
21 license under this Act was previously convicted of any felony  
22 or a misdemeanor directly related to the practice of the  
23 profession, shall consider any mitigating factors and evidence  
24 of rehabilitation contained in the applicant's record,  
25 including any of the following factors and evidence, to  
26 determine if the prior conviction will impair the ability of

1 the applicant to engage in the position for which a license is  
2 sought:

3 (1) the bearing, if any, of the offense for which the  
4 applicant was previously convicted on the duties,  
5 functions, and responsibilities of the position for which a  
6 license is sought;

7 (2) whether the conviction suggests a future  
8 propensity to endanger the safety and property of others  
9 while performing the duties and responsibilities for which  
10 a license is sought;

11 (3) if the applicant was previously licensed or  
12 employed in this State or other states or jurisdictions,  
13 then the lack of prior misconduct arising from or related  
14 to the licensed position or position of employment;

15 (4) whether 5 years since a felony conviction or 3  
16 years since release from confinement for the conviction,  
17 whichever is later, have passed without a subsequent  
18 conviction;

19 (5) successful completion of sentence and, for  
20 applicants serving a term of parole or probation, a  
21 progress report provided by the applicant's probation or  
22 parole officer that documents the applicant's compliance  
23 with conditions of supervision;

24 (6) evidence of the applicant's present fitness and  
25 professional character;

26 (7) evidence of rehabilitation or rehabilitative

1 effort during or after incarceration or during or after a  
2 term of supervision, including, but not limited to, a  
3 certificate of good conduct under Section 5-5.5-25 of the  
4 Unified Code of Corrections or certificate of relief from  
5 disabilities under Section 5-5.5-10 of the Unified Code of  
6 Corrections; and

7 (8) any other mitigating factors that contribute to the  
8 person's potential and current ability to perform the  
9 duties and responsibilities of a public adjuster.

10 (c) If a nonresident licensee meets the standards set forth  
11 in items (1) through (4) of subsection (a) of Section 1540 and  
12 has received consent pursuant to 18 U.S.C. 1033(e) (2) from his  
13 or her home state, the Director shall grant the nonresident  
14 licensee a license.

15 (d) If the Director refuses to issue a license to an  
16 applicant based, in whole or in part, on a conviction or  
17 convictions, then the Director shall notify the applicant of  
18 the denial in writing with the following included in the notice  
19 of denial:

20 (1) a statement about the decision to refuse to issue a  
21 license;

22 (2) a list of convictions that the Director determined  
23 will impair the applicant's ability to engage in the  
24 position for which a license is sought;

25 (3) a list of the convictions that were the sole or  
26 partial basis for the refusal to issue a license; and



1           (4) a summary of the appeal process or the earliest the  
2           applicant may reapply for a license, whichever is  
3           applicable.

4           (215 ILCS 5/1555)

5           Sec. 1555. License denial, nonrenewal, or revocation.

6           (a) The Director may place on probation, suspend, revoke,  
7           deny, or refuse to issue or renew a public adjuster's license  
8           or may levy a civil penalty or any combination of actions, for  
9           any one or more of the following causes:

10           (1) providing incorrect, misleading, incomplete, or  
11           materially untrue information in the license application;

12           (2) violating any insurance laws, or violating any  
13           regulation, subpoena, or order of the Director or of  
14           another state's Director;

15           (3) obtaining or attempting to obtain a license through  
16           misrepresentation or fraud;

17           (4) improperly withholding, misappropriating, or  
18           converting any monies or properties received in the course  
19           of doing insurance business;

20           (5) intentionally misrepresenting the terms of an  
21           actual or proposed insurance contract or application for  
22           insurance;

23           (6) for licensees, having been convicted of a felony or  
24           misdemeanor involving dishonesty or fraud, unless the  
25           individual demonstrates to the Director sufficient

1 rehabilitation to warrant the public trust;

2 (7) having admitted or been found to have committed any  
3 insurance unfair trade practice or insurance fraud;

4 (8) using fraudulent, coercive, or dishonest  
5 practices; or demonstrating incompetence,  
6 untrustworthiness, or financial irresponsibility in the  
7 conduct of business in this State or elsewhere;

8 (9) having an insurance license or public adjuster  
9 license or its equivalent, denied, suspended, or revoked in  
10 any other state, province, district, or territory;

11 (10) forging another's name to an application for  
12 insurance or to any document related to an insurance  
13 transaction;

14 (11) cheating, including improperly using notes or any  
15 other reference material, to complete an examination for an  
16 insurance license or public adjuster license;

17 (12) knowingly accepting insurance business from or  
18 transacting business with an individual who is not licensed  
19 but who is required to be licensed by the Director;

20 (13) failing to comply with an administrative or court  
21 order imposing a child support obligation;

22 (14) failing to pay State income tax or comply with any  
23 administrative or court order directing payment of State  
24 income tax;

25 (15) failing to comply with or having violated any of  
26 the standards set forth in Section 1590 of this Law; or

1           (16) failing to maintain the records required by  
2           Section 1585 of this Law.

3           (b) If the action by the Director is to nonrenew, suspend,  
4           or revoke a license or to deny an application for a license,  
5           the Director shall notify the applicant or licensee and advise,  
6           in writing, the applicant or licensee of the reason for the  
7           suspension, revocation, denial, or nonrenewal of the  
8           applicant's or licensee's license. The applicant or licensee  
9           may make written demand upon the Director within 30 days after  
10          the date of mailing for a hearing before the Director to  
11          determine the reasonableness of the Director's action. The  
12          hearing must be held within not fewer than 20 days nor more  
13          than 30 days after the mailing of the notice of hearing and  
14          shall be held pursuant to 50 Ill. Adm. Code 2402.

15          (c) The license of a business entity may be suspended,  
16          revoked, or refused if the Director finds, after hearing, that  
17          an individual licensee's violation was known or should have  
18          been known by one or more of the partners, officers, or  
19          managers acting on behalf of the business entity and the  
20          violation was neither reported to the Director, nor corrective  
21          action taken.

22          (d) In addition to or in lieu of any applicable denial,  
23          suspension or revocation of a license, a person may, after  
24          hearing, be subject to a civil penalty. In addition to or  
25          instead of any applicable denial, suspension, or revocation of  
26          a license, a person may, after hearing, be subject to a civil

1 penalty of up to \$10,000 for each cause for denial, suspension,  
2 or revocation, however, the civil penalty may total no more  
3 than \$100,000.

4 (e) The Director shall retain the authority to enforce the  
5 provisions of and impose any penalty or remedy authorized by  
6 this Article against any person who is under investigation for  
7 or charged with a violation of this Article even if the  
8 person's license or registration has been surrendered or has  
9 lapsed by operation of law.

10 (f) Any individual whose public adjuster's license is  
11 revoked or whose application is denied pursuant to this Section  
12 shall be ineligible to apply for a public adjuster's license  
13 for 5 years. A suspension pursuant to this Section may be for  
14 any period of time up to 5 years.

15 (Source: P.A. 96-1332, eff. 1-1-11.)

16 Section 99. Effective date. This Act takes effect January  
17 1, 2018."