

HB3491



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

HB3491

by Rep. Daniel V. Beiser

SYNOPSIS AS INTRODUCED:

215 ILCS 185/10

Amends the Unclaimed Life Insurance Benefits Act. Provides that the definition of "policy" does not include any policy or certificate of life insurance that is used to fund a pre-need funeral contract or prearrangement. Effective immediately.

LRB100 08452 SMS 18570 b

A BILL FOR

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 Unclaimed Life Insurance Benefits Act is
5 amended by changing Section 10 as follows:

6 (215 ILCS 185/10)

7 Sec. 10. Definitions. As used in this Act:

8 "Annuity contract" does not include an annuity contract
9 used to fund an employment-based retirement plan or program
10 where (1) the insurer does not perform the record keeping
11 services or (2) the insurer is not committed by the terms of
12 the annuity contract to pay death benefits to the beneficiaries
13 of specific plan participants.

14 "Date of death" means the date on which an insured, annuity
15 owner, or retained asset account holder died.

16 "Date of death notice" means the date the insurer first has
17 notice of the date of death of an insured, annuity owner, or
18 retained asset account holder. "Date of death notice" includes,
19 but is not limited to, the date the insurer received
20 information or gained knowledge of a Death Master File match or
21 any other source or record maintained or located in insurer
22 records of the death of an insured, annuity owner, or retained
23 asset account holder.

1 "Death Master File" means the United States Social Security
2 Administration's Death Master File or any other database or
3 service that is at least as comprehensive as the United States
4 Social Security Administration's Death Master File for
5 determining that a person has reportedly died.

6 "Death Master File match" means a match of the social
7 security number or the name and date of birth of an insured,
8 annuity owner, or retained asset account holder resulting from
9 a search of the Death Master File.

10 "Department" means the Department of Insurance.

11 "Lost policy finder" means a service made available by the
12 Department on its website or otherwise developed by the
13 Department to assist consumers with locating unclaimed life
14 insurance benefits.

15 "Policy" means any policy or certificate of life insurance
16 that provides a death benefit. "Policy" does not include any
17 policy or certificate of life insurance that is used to fund a
18 pre-need funeral contract or prearrangement, any policy or
19 certificate of credit life or accidental death insurance or
20 health coverages, including, but not limited to, disability and
21 long-term care arising from the reported death of a person
22 insured under the coverage, or any policy issued to a group
23 master policyholder for which the insurer does not provide
24 record keeping services.

25 "Record keeping services" means services provided under
26 circumstances in which the insurer has agreed with a group

1 policy or annuity contract customer to be responsible for
2 obtaining, maintaining, and administering its own or its
3 agents' systems information about each individual insured
4 under an insured's group insurance contract, or a line of
5 coverage thereunder, including, but not limited to, the
6 following: (1) social security number or name and date of
7 birth, (2) beneficiary designation information, (3) coverage
8 eligibility, (4) benefit amount, and (5) premium payment
9 status.

10 "Retained asset account" means any mechanism whereby the
11 settlement of proceeds payable under a policy or annuity
12 contract is accomplished by the insurer or an entity acting on
13 behalf of the insurer depositing the proceeds into an account
14 with check or draft writing privileges, where those proceeds
15 are retained by the insurer or its agent pursuant to a
16 supplementary contract not involving annuity benefits other
17 than death benefits.

18 (Source: P.A. 99-893, eff. 1-1-17.)

19 Section 99. Effective date. This Act takes effect upon
20 becoming law.