



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

SB0692

Introduced 1/30/2017, by Sen. John G. Mulroe

SYNOPSIS AS INTRODUCED:

215 ILCS 5/1403

Amends the Illinois Insurance Code. In a provision concerning licensure requirements for financial institutions, provides that nothing in a provision concerning limited lines producer licenses in the Code shall be construed to require a limited lines producer license or any other form or class of producer's license for financial institutions, or their employees, if the financial institution has purchased or sponsored a group or individual credit life, credit accident and health, credit casualty, credit property, or other credit insurance policy or program under which the financial institution enrolls or performs other administrative services to enable individuals to purchase insurance coverage under the group or individual credit insurance policy from a licensed producer in compliance with provisions concerning license exceptions and credit life and credit accident and health insurance policies under the Code. Effective immediately.

LRB100 06796 SMS 16844 b

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 or individual credit life,
6 credit accident and health, credit casualty, credit property,
7 or other credit insurance policy or program under which the
8 financial institution enrolls or performs other administrative
9 services to enable individuals to purchase insurance coverage
10 under the group or individual credit insurance policy from a
11 licensed producer in compliance with Section 155.56 and
12 paragraph (2) of subsection (b) of Section 500-20 of this Code.

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

14 Section 99. Effective date. This Act takes effect upon
15 becoming law.