



Sen. Michael E. Hastings

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10000SB2513sam002

LRB100 17072 SMS 37126 a

1 AMENDMENT TO SENATE BILL 2513

2 AMENDMENT NO. _____. Amend Senate Bill 2513 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Insurance Code is amended by
5 adding Section 401.3 and by changing Section 500-35 as follows:

6 (215 ILCS 5/401.3 new)

7 Sec. 401.3. Advisory council; powers and duties. There is
8 created within the Department an advisory council to review and
9 make recommendations to the Department regarding rules to be
10 adopted with respect to continuing education courses for which
11 the approval of the Department is required under the provisions
12 of this Code. In addition, the advisory council shall make
13 recommendations to the Department regarding rules with respect
14 to course materials, curriculum, and credentials of
15 instructors.

16 The advisory council shall be comprised of 7 members

1 appointed by the Director. One member shall be an educational
2 instructor who has regularly provided educational offerings
3 for more than 5 out of the last 10 years to individuals
4 licensed under this Code. Three members shall be recommended by
5 the leadership of 3 statewide trade organizations whose
6 memberships are primarily composed of individuals licensed
7 under this Code, none of which may come from the same
8 organization. Three members shall represent a domestic
9 company.

10 The members' terms shall be 3 years or until their
11 successors are appointed, and the expiration of their terms
12 shall be staggered. No individual may serve more than 3
13 consecutive terms.

14 The Director shall appoint an employee of the Department to
15 serve as the chairperson of the advisory council, ex officio,
16 without a vote.

17 Four voting advisory council members shall constitute a
18 quorum. A quorum is necessary for all advisory council
19 decisions and recommendations.

20 (215 ILCS 5/500-35)

21 (Section scheduled to be repealed on January 1, 2027)

22 Sec. 500-35. License.

23 (a) Unless denied a license pursuant to Section 500-70,
24 persons who have met the requirements of Sections 500-25 and
25 500-30 shall be issued a 2-year insurance producer license. An

1 insurance producer may receive qualification for a license in
2 one or more of the following lines of authority:

3 (1) Life: insurance coverage on human lives including
4 benefits of endowment and annuities, and may include
5 benefits in the event of death or dismemberment by accident
6 and benefits for disability income.

7 (2) Variable life and variable annuity products:
8 insurance coverage provided under variable life insurance
9 contracts and variable annuities.

10 (3) Accident and health or sickness: insurance
11 coverage for sickness, bodily injury, or accidental death
12 and may include benefits for disability income.

13 (4) Property: insurance coverage for the direct or
14 consequential loss or damage to property of every kind.

15 (5) Casualty: insurance coverage against legal
16 liability, including that for death, injury, or disability
17 or damage to real or personal property.

18 (6) Personal lines: property and casualty insurance
19 coverage sold to individuals and families for primarily
20 noncommercial purposes.

21 (7) Any other line of insurance permitted under State
22 laws or rules.

23 (b) An insurance producer license shall remain in effect
24 unless revoked or suspended as long as the fee set forth in
25 Section 500-135 is paid and education requirements for resident
26 individual producers are met by the due date.

1 (1) Before each license renewal, an insurance producer
2 must satisfactorily complete at least 24 hours of course
3 study in accordance with rules prescribed by the Director.
4 Three of the 24 hours of course study must consist of
5 classroom or webinar ethics instruction. The Director may
6 not approve a course of study unless the course provides
7 for classroom, seminar, webinar, or self-study instruction
8 methods. A course given in a combination instruction method
9 of classroom, seminar, webinar, or self-study shall be
10 deemed to be a self-study course unless the classroom,
11 seminar, or webinar certified hours meets or exceeds
12 two-thirds of total hours certified for the course. The
13 self-study material used in the combination course must be
14 directly related to and complement the classroom portion of
15 the course in order to be considered for credit. An
16 instruction method other than classroom or seminar shall be
17 considered as self-study methodology. Self-study credit
18 hours require the successful completion of an examination
19 covering the self-study material. The examination may not
20 be self-evaluated. However, if the self-study material is
21 completed through the use of an approved computerized
22 interactive format whereby the computer validates the
23 successful completion of the self-study material, no
24 additional examination is required. The self-study credit
25 hours contained in a certified course shall be considered
26 classroom hours when at least two-thirds of the hours are

1 given as classroom or seminar instruction.

2 (2) An insurance producer license automatically
3 terminates when an insurance producer fails to
4 successfully meet the requirements of item (1) of
5 subsection (b) of this Section. The producer must complete
6 the course in advance of the renewal date to allow the
7 education provider time to report the credit to the
8 Department.

9 (c) A provider of a pre-licensing or continuing education
10 course required by Section 500-30 and this Section must pay a
11 registration fee and a course certification fee for each course
12 being certified as provided by Section 500-135.

13 (d) An individual insurance producer who allows his or her
14 license to lapse may, within 12 months after the due date of
15 the renewal fee, be issued a license without the necessity of
16 passing a written examination. However, a penalty in the amount
17 of double the unpaid renewal fee shall be required after the
18 due date.

19 (e) A licensed insurance producer who is unable to comply
20 with license renewal procedures due to military service may
21 request a waiver of those procedures.

22 (f) The license must contain the licensee's name, address,
23 and personal identification number, the date of issuance, the
24 lines of authority, the expiration date, and any other
25 information the Director deems necessary.

26 (g) Licensees must inform the Director by any means

1 acceptable to the Director of a change of address within 30
2 days after the change.

3 (h) In order to assist in the performance of the Director's
4 duties, the Director may contract with a non-governmental
5 entity including the National Association of Insurance
6 Commissioners (NAIC), or any affiliates or subsidiaries that
7 the NAIC oversees, to perform any ministerial functions,
8 including collection of fees, related to producer licensing
9 that the Director and the non-governmental entity may deem
10 appropriate.

11 (Source: P.A. 96-839, eff. 1-1-10; 97-113, eff. 7-14-11.)

12 Section 99. Effective date. This Act takes effect upon
13 becoming law."