

HB0215



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB0215

Introduced 1/22/2021, by Rep. Adam Niemerg

SYNOPSIS AS INTRODUCED:

215 ILCS 5/803.1

Amends the Illinois Insurance Code to provide that the Illinois Mine Subsidence Insurance Fund shall provide monthly letters to insurers and insureds regarding the status of claims.

LRB102 04898 BMS 14917 b

FISCAL NOTE ACT
MAY APPLY

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 Illinois Insurance Code is amended by
5 changing Section 803.1 as follows:

6 (215 ILCS 5/803.1)

7 Sec. 803.1. Establishment of Fund.

8 (a) There is established a fund to be known as the
9 "Illinois Mine Subsidence Insurance Fund". The Fund shall
10 operate pursuant to this Article. The Fund is authorized to
11 transact business, provide services, enter into contracts and
12 sue or be sued in its own name.

13 (b) The Fund shall provide reinsurance for mine subsidence
14 losses to all insurers writing mine subsidence insurance
15 pursuant to this Article.

16 (c) The monies in the Fund shall be derived from premiums
17 for mine subsidence insurance collected on behalf of the Fund
18 pursuant to this Article, from investment income and from
19 receipt of Federal or State funds. No insurer shall have any
20 liability to the Fund or to any creditor of the Fund, except as
21 may be set forth in this Article, in the Articles of Governance
22 which may be adopted by the Fund, in a reinsurance agreement
23 executed pursuant to Section 810.1, in the Plan of Operation

1 established by the Fund, or in the rules and procedures
2 adopted by the Fund as authorized by the reinsurance
3 agreement.

4 (d) The Fund shall establish its rates, rating schedules,
5 deductibles and retentions, minimum premiums, classifications,
6 and the maximum amount of reinsurance available per residence,
7 commercial building, and living unit for mine subsidence
8 insurance which the Fund shall file with the Director. The
9 Director shall have 30 days from the date of receipt to approve
10 or disapprove a rate filing. If no action is taken by the
11 Director within 30 days, the rate is deemed to be approved. The
12 Director may, in writing, extend the period for an additional
13 30 days if the Director determines that additional time is
14 needed.

15 (e) The Fund shall establish its rates, rating schedules,
16 deductibles and retentions, minimum premiums, classifications,
17 and the maximum amount of reinsurance available per residence,
18 commercial building, and living unit in such a manner as to
19 satisfy all reasonably foreseeable claims and expenses the
20 Fund is likely to incur. The Fund shall give due consideration
21 to loss experience and relevant trends, premium and other
22 income and reasonable reserves established for contingencies
23 in establishing the mine subsidence rates.

24 (f) The Fund shall compile and publish an annual operating
25 report.

26 (g) The Fund shall develop at least 2 consumer information

1 publications to aid the public in understanding mine
2 subsidence and mine subsidence insurance and shall establish a
3 schedule for the distribution of the publications pursuant to
4 the reinsurance agreement. Topics that shall be addressed
5 shall include but are not limited to:

6 (1) Descriptive information about mine subsidence, and
7 what benefits mine subsidence insurance provides to the
8 property owner.

9 (2) Information that will be useful to a policyholder
10 who has filed a mine subsidence claim, such as information
11 that explains the claim investigation process and claim
12 handling procedures.

13 (h) The Fund shall be empowered to conduct research
14 programs in an effort to improve the administration of the
15 mine subsidence insurance program and help reduce and mitigate
16 mine subsidence losses consistent with the public interest.

17 (i) The Fund may enter into reinsurance agreements with
18 any intergovernmental cooperative that provides joint
19 self-insurance for mine subsidence losses of its members.
20 These reinsurance agreements shall be substantially similar to
21 reinsurance agreements described in Section 810.1.

22 (j) The Fund shall provide monthly letters to insurers and
23 insureds regarding the status of claims.

24 (Source: P.A. 95-92, eff. 1-1-08; 95-334, eff. 1-1-08.)