

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 Sections 500-30, 1510, and 1565 as follows:

6 (215 ILCS 5/500-30)

7 (Section scheduled to be repealed on January 1, 2027)

8 Sec. 500-30. Application for license.

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

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

17 (2) is sufficiently rehabilitated in cases in which
18 the applicant has committed any act that is a ground for
19 denial, suspension, or revocation set forth in Section
20 500-70, other than convictions set forth in paragraph (6)
21 of subsection (a) of Section 500-70; with respect to
22 applicants with convictions set forth in paragraph (6) of
23 subsection (a) of Section 500-70, the Director shall

1 determine in accordance with Section 500-76 that the
 2 conviction will not impair the ability of the applicant to
 3 engage in the position for which a license is sought;

4 (3) has completed, if required by the Director, a
 5 pre-licensing course of study before the insurance exam
 6 for the lines of authority for which the individual has
 7 applied (an individual who successfully completes the Fire
 8 and Casualty pre-licensing courses also meets the
 9 requirements for Personal Lines-Property and Casualty);

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

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

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

18 Class of Insurance	Number of
	19 Hours
20 Life (Class 1(a))	20
21 Accident and Health (Class 1(b) or 2(a))	20
22 Fire (Class 3)	20
23 Casualty (Class 2)	20
24 Personal Lines-Property Casualty	20
25 Motor Vehicle (Class 2(b) or 3(e))	12.5

26 7.5 hours of each pre-licensing course must be completed

1 in a classroom or webinar setting, except Motor Vehicle, which
2 would require 5 hours in a classroom or webinar setting.

3 (c) A business entity acting as an insurance producer must
4 obtain an insurance producer license. Application must be made
5 using the Uniform Business Entity Application. Before
6 approving the application, the Director must find that:

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

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

12 (d) The Director may require any documents reasonably
13 necessary to verify the information contained in an
14 application.

15 (Source: P.A. 100-286, eff. 1-1-18.)

16 (215 ILCS 5/1510)

17 Sec. 1510. Definitions. In this Article:

18 "Adjusting a claim for loss or damage covered by an
19 insurance contract" means negotiating values, damages, or
20 depreciation or applying the loss circumstances to insurance
21 policy provisions.

22 "Business entity" means a corporation, association,
23 partnership, limited liability company, limited liability
24 partnership, or other legal entity.

25 "Department" means the Department of Insurance.

1 "Director" means the Director of Insurance.

2 "Fingerprints" means an impression of the lines on the
3 finger taken for the purpose of identification. The impression
4 may be electronic or in ink converted to electronic format.

5 "Home state" means the District of Columbia and any state
6 or territory of the United States where the public adjuster's
7 principal place of residence or principal place of business is
8 located. If neither the state in which the public adjuster
9 maintains the principal place of residence nor the state in
10 which the public adjuster maintains the principal place of
11 business has a substantially similar law governing public
12 adjusters, the public adjuster may declare another state in
13 which it becomes licensed and acts as a public adjuster to be
14 the home state.

15 "Individual" means a natural person.

16 "Person" means an individual or a business entity.

17 "Public adjuster" means any person who, for compensation
18 or any other thing of value on behalf of the insured:

19 (i) acts or aids, solely in relation to first party
20 claims arising under insurance contracts that insure the
21 real or personal property of the insured, on behalf of an
22 insured in adjusting a claim for loss or damage covered by
23 an insurance contract;

24 (ii) advertises for employment as a public adjuster of
25 insurance claims or solicits business or represents
26 himself or herself to the public as a public adjuster of

1 first party insurance claims for losses or damages arising
2 out of policies of insurance that insure real or personal
3 property; or

4 (iii) directly or indirectly solicits business,
5 investigates or adjusts losses, or advises an insured
6 about first party claims for losses or damages arising out
7 of policies of insurance that insure real or personal
8 property for another person engaged in the business of
9 adjusting losses or damages covered by an insurance policy
10 for the insured.

11 "Uniform individual application" means the current version
12 of the National Association of Directors (NAIC) Uniform
13 Individual Application for resident and nonresident
14 individuals.

15 "Uniform business entity application" means the current
16 version of the National Association of Insurance Commissioners
17 (NAIC) Uniform Business Entity Application for resident and
18 nonresident business entities.

19 "Webinar" means an online educational presentation during
20 which a live and participating instructor and participating
21 viewers, whose attendance is periodically verified throughout
22 the presentation, actively engage in discussion and in the
23 submission and answering of questions.

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

1 Sec. 1565. Continuing education.

2 (a) An individual who holds a public adjuster license and
3 who is not exempt under subsection (b) of this Section shall
4 satisfactorily complete a minimum of 24 hours of continuing
5 education courses, including 3 hours of classroom or webinar
6 ethics instruction, reported on a biennial basis in
7 conjunction with the license renewal cycle.

8 The Director may not approve a course of study unless the
9 course provides for classroom, seminar, or self-study
10 instruction methods. A course given in a combination
11 instruction method of classroom or seminar and self-study
12 shall be deemed to be a self-study course unless the classroom
13 or seminar certified hours meets or exceeds two-thirds of the
14 total hours certified for the course. The self-study material
15 used in the combination course must be directly related to and
16 complement the classroom portion of the course in order to be
17 considered for credit. An instruction method other than
18 classroom or seminar shall be considered as self-study
19 methodology. Self-study credit hours require the successful
20 completion of an examination covering the self-study material.
21 The examination may not be self-evaluated. However, if the
22 self-study material is completed through the use of an
23 approved computerized interactive format whereby the computer
24 validates the successful completion of the self-study
25 material, no additional examination is required. The
26 self-study credit hours contained in a certified course shall

1 be considered classroom hours when at least two-thirds of the
2 hours are given as classroom or seminar instruction.

3 The public adjuster must complete the course in advance of
4 the renewal date to allow the education provider time to
5 report the credit to the Department.

6 (b) This Section shall not apply to:

7 (1) licensees not licensed for one full year prior to
8 the end of the applicable continuing education biennium;
9 or

10 (2) licensees holding nonresident public adjuster
11 licenses who have met the continuing education
12 requirements of their home state and whose home state
13 gives credit to residents of this State on the same basis.

14 (c) Only continuing education courses approved by the
15 Director shall be used to satisfy the continuing education
16 requirement of subsection (a) of this Section.

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

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