

1 AN ACT to amend the Illinois Municipal Code by changing
2 Section 11-10-1.

3 Be it enacted by the People of the State of Illinois,
4 represented in the General Assembly:

5 Section 5. The Illinois Municipal Code is amended by
6 changing Section 11-10-1 as follows:

7 (65 ILCS 5/11-10-1) (from Ch. 24, par. 11-10-1)

8 Sec. 11-10-1. In each municipality or fire protection
9 district, whether incorporated under a general or special
10 law, which has a fire department established and maintained
11 by municipal or fire protection district ordinances, every
12 corporation, company, and association which is not
13 incorporated under the laws of this State and which is
14 engaged in effecting fire insurance in the municipality or
15 fire protection district, shall pay to the treasurer of the
16 Foreign Fire Insurance Board, or if there is not one, then to
17 the treasurer of the municipality or to the secretary of the
18 fire protection district for the maintenance, use, and
19 benefit of the fire department thereof, a sum not exceeding
20 2% of the gross receipts received from fire insurance upon
21 property situated within the municipality or district.

22 Each municipality and fire protection district may
23 prescribe by ordinance the rate of the tax or license fee to
24 be paid, but this rate shall not exceed the rate specified in
25 this Section. Each designated corporation, company, and
26 association shall pay at the rate so prescribed, upon the
27 amount of all premiums which have been received during the
28 year ending on every first day of July for all fire insurance
29 effected or agreed to be effected on property situated within
30 the municipality or fire protection district, by that
31 corporation, company, or association respectively.

1 Every person who acts in any specified municipality or
2 fire protection district as agent, or otherwise, on behalf of
3 a designated corporation, company, or association, shall
4 render to the treasurer of the Foreign Fire Insurance Board
5 in that municipality or fire protection district municipal
6 comptroller, if there is one, or if not to the municipal
7 treasurer clerk or secretary of the fire protection district,
8 on or before the fifteenth day of July of each year, a full
9 and true account, verified by his oath, of all of the
10 premiums which, during the year ending on the first day of
11 July preceding the report, were received by him, or by any
12 other person for him on behalf of that corporation, company,
13 or association. He shall specify in this report the amounts
14 received for fire insurance, and he shall pay to the
15 treasurer of the Foreign Fire Insurance Board of that
16 municipality or fire protection district if there is one, if
17 not then to the treasurer of the municipality, or to the
18 secretary of the fire protection district, at the time of
19 rendering this report, the amount as determined by the rate
20 fixed by the ordinance of the municipality or fire protection
21 district for which his corporation, company, or association
22 is accountable under this Section and the ordinance.

23 If this account of premiums is not rendered on or before
24 the fifteenth day of July of each year, or if the sum due
25 remains unpaid after that day, it shall be unlawful for any
26 corporation, company, or association, so in default, to
27 transact any business in the municipality or fire protection
28 district until the sum due has been fully paid. But this
29 provision shall not relieve any corporation, company, or
30 association from the payment of any loss upon any risk that
31 may be taken in violation of this requirement.

32 On or before the 15th of August of each year, an agent
33 who, contractually or otherwise, collects the tax or license
34 fee on behalf of a Foreign Fire Insurance Board, a

1 municipality, or a fire protection district shall pay all
2 collected amounts, less a fee charged for its collection
3 services, as permitted by this Section, to the treasurer of
4 the Foreign Fire Insurance Board, if there is one, or if not,
5 to the municipal treasurer or the secretary of the fire
6 protection district. The maximum fee that may be charged by
7 an agent for collection of the funds from foreign fire
8 insurance companies is 2% of the amount collected for each
9 Foreign Fire Insurance Board, fire department, or fire
10 protection district. If the agent of the Foreign Fire
11 Insurance Board, municipality, or fire protection district,
12 fails to pay the funds to the Foreign Fire Insurance Board,
13 fire department, or fire protection district by the 15th of
14 August, the agent shall pay interest on the funds at a rate
15 of 1% each month or 12% each year.

16 Each Foreign Fire Insurance Board, municipality, or fire
17 protection district, or any person, company, entity,
18 organization, association, or other body that acts
19 contractually or otherwise on behalf of a Foreign Fire
20 Insurance Board, municipality, or fire protection district,
21 that collects and disburses this tax or license fee shall
22 file a written report by the 15th of August of each year with
23 the Department of Insurance. The report shall include:

24 (1) The name and address of the Foreign Fire
25 Insurance Board, municipality, or fire protection
26 district;

27 (2) The name and address of each insurance company
28 paying the tax or license fee;

29 (3) The amount paid by each insurance company;

30 (4) The date on which the payment from each
31 insurance company was received;

32 (5) The amount and percentage of fees, if any,
33 charged by an agent of the Foreign Fire Insurance Board,
34 municipality, or fire protection district for collection

1 services;

2 (6) If the tax or license fee collected under this
3 Section is collected by an agent of the Foreign Fire
4 Insurance Board, municipality, or fire protection
5 district and held in a bank account between the date on
6 which the funds were collected and the date on which the
7 funds were disbursed to the Foreign Fire Insurance Board,
8 municipality, or fire protection district, the account
9 number, location of the funds received, and the amount of
10 any interest earned on the funds;

11 (7) If the fee is collected by a municipality, or
12 an agent of the Foreign Fire Insurance Board,
13 municipality, or fire protection district, the date on
14 which each payment of funds was made to the Foreign Fire
15 Insurance Board or fire protection district; and

16 (8) A copy of the annual accounting report that is
17 required by this Section to be filed with the treasurer
18 of the Foreign Fire Insurance Board, municipal clerk, or
19 secretary of the fire protection district on or before
20 the 15th of July of each year setting forth an
21 accounting of premiums paid by the insurance company.

22 Information that is required by this Section to be
23 provided to the Department of Insurance shall be available
24 for public inspection upon the filing of a request under the
25 Freedom of Information Act.

26 The amount of this tax or license fee may be recovered
27 from the corporation, company, or association which owes it,
28 or from its agent, by an action in the name and for the use
29 of the municipality or fire protection district as for money
30 had and received.

31 The Department of Insurance, fire department, or other
32 interested party may bring suit against each Foreign Fire
33 Insurance Board, municipality, fire protection district, or
34 agent of a Foreign Fire Insurance Board, municipality, or

1 fire protection district that fails to comply with the
2 submission of any written report under this Section to
3 require compliance with this Section. The party bringing
4 suit may be entitled to compensation for damages suffered,
5 including, but not limited to, compensatory and punitive
6 damages, attorney's fees, and court costs, as well as
7 injunctive relief.

8 The treasurer of the Foreign Fire Insurance Board
9 ~~municipal-comptroller~~, if any, and if not, then the municipal
10 treasurer ~~clerk~~ or the secretary of the fire protection
11 district, may examine the books, records, and other papers
12 and documents of a designated agent, corporation, company, or
13 association for the purpose of verifying the correctness of
14 the report of the amounts received for fire insurance.

15 This Section shall not be applicable to receipts from
16 contracts of marine insurance, even though they include
17 insurance against fire, where the premium for the fire
18 insurance is not separately specified.

19 (Source: Laws 1961, p. 576.)

20 Section 99. Effective date. This Act takes effect on
21 July 1, 2003.