

1 AN ACT concerning insurance.

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 408 as follows:

6 (215 ILCS 5/408) (from Ch. 73, par. 1020)

7 Sec. 408. Fees and charges.

8 (1) The Director shall charge, collect, and give proper
9 acquittances for the payment of the following fees and
10 charges:

11 (a) For the filing of all documents submitted for
12 the incorporation or organization or certification of a
13 domestic company, except for a fraternal benefit society,
14 \$1,000.

15 (b) For filing all documents submitted for the
16 incorporation or organization of a fraternal benefit
17 society, \$250.

18 (c) For filing amendments to articles of
19 incorporation and amendments to declaration of
20 organization, except for a fraternal benefit society, a
21 mutual benefit association, a burial society or a farm
22 mutual, \$100.

23 (d) For filing amendments to articles of
24 incorporation of a fraternal benefit society, a mutual
25 benefit association or a burial society, \$50.

26 (e) For filing amendments to articles of
27 incorporation of a farm mutual, \$25.

28 (f) For filing bylaws or amendments thereto, \$25.

29 (g) For filing agreement of merger or
30 consolidation:

31 (i) for a domestic company, except for a

1 fraternal benefit society, a mutual benefit
2 association, a burial society, or a farm mutual,
3 \$1,000.

4 (ii) for a foreign or alien company, except
5 for a fraternal benefit society, \$300.

6 (iii) for a fraternal benefit society, a
7 mutual benefit association, a burial society, or a
8 farm mutual, \$100.

9 (h) For filing agreements of reinsurance by a
10 domestic company, \$100.

11 (i) For filing all documents submitted by a foreign
12 or alien company to be admitted to transact business or
13 accredited as a reinsurer in this State, except for a
14 fraternal benefit society, \$2,500.

15 (j) For filing all documents submitted by a foreign
16 or alien fraternal benefit society to be admitted to
17 transact business in this State, \$250.

18 (k) For filing declaration of withdrawal of a
19 foreign or alien company, \$25.

20 (l) For filing annual statement, except a fraternal
21 benefit society, a mutual benefit association, a burial
22 society, or a farm mutual, \$100.

23 (m) For filing annual statement by a fraternal
24 benefit society, \$50.

25 (n) For filing annual statement by a farm mutual, a
26 mutual benefit association, or a burial society, \$25.

27 (o) For issuing a certificate of authority or
28 renewal thereof except to a fraternal benefit society,
29 \$100.

30 (p) For issuing a certificate of authority or
31 renewal thereof to a fraternal benefit society, \$50.

32 (q) For issuing an amended certificate of
33 authority, \$25.

34 (r) For each certified copy of certificate of

1 authority, \$10.

2 (s) For each certificate of deposit, or valuation,
3 or compliance or surety certificate, \$10.

4 (t) For copies of papers or records per page, \$1.

5 (u) For each certification to copies of papers or
6 records, \$10.

7 (v) For multiple copies of documents or
8 certificates listed in subparagraphs (r), (s), and (u) of
9 paragraph (1) of this Section, \$10 for the first copy of
10 a certificate of any type and \$5 for each additional copy
11 of the same certificate requested at the same time,
12 unless, pursuant to paragraph (2) of this Section, the
13 Director finds these additional fees excessive.

14 (w) For issuing a permit to sell shares or increase
15 paid-up capital:

16 (i) in connection with a public stock
17 offering, \$150;

18 (ii) in any other case, \$50.

19 (x) For issuing any other certificate required or
20 permissible under the law, \$25.

21 (y) For filing a plan of exchange of the stock of a
22 domestic stock insurance company, a plan of
23 demutualization of a domestic mutual company, or a plan
24 of reorganization under Article XII, \$1,000.

25 (z) For filing a statement of acquisition of a
26 domestic company as defined in Section 131.4 of this
27 Code, \$1,000.

28 (aa) For filing an agreement to purchase the
29 business of an organization authorized under the Dental
30 Service Plan Act or the Voluntary Health Services Plans
31 Act or of a health maintenance organization or a limited
32 health service organization, \$1,000.

33 (bb) For filing a statement of acquisition of a
34 foreign or alien insurance company as defined in Section

1 131.12a of this Code, \$500.

2 (cc) For filing a registration statement as
3 required in Sections 131.13 and 131.14, the notification
4 as required by Sections 131.16, 131.20a, or 141.4, or an
5 agreement or transaction required by Sections 124.2(2),
6 141, 141a, or 141.1, \$100.

7 (dd) For filing an application for licensing of:

8 (i) a religious or charitable risk pooling
9 trust or a workers' compensation pool, \$500;

10 (ii) a workers' compensation service company,
11 \$250;

12 (iii) a self-insured automobile fleet, \$100;
13 or

14 (iv) a renewal of or amendment of any license
15 issued pursuant to (i), (ii), or (iii) above, \$50.

16 (ee) For filing articles of incorporation for a
17 syndicate to engage in the business of insurance through
18 the Illinois Insurance Exchange, \$1,000.

19 (ff) For filing amended articles of incorporation
20 for a syndicate engaged in the business of insurance
21 through the Illinois Insurance Exchange, \$50.

22 (gg) For filing articles of incorporation for a
23 limited syndicate to join with other subscribers or
24 limited syndicates to do business through the Illinois
25 Insurance Exchange, \$500.

26 (hh) For filing amended articles of incorporation
27 for a limited syndicate to do business through the
28 Illinois Insurance Exchange, \$50.

29 (ii) For a permit to solicit subscriptions to a
30 syndicate or limited syndicate, \$50.

31 (jj) For the filing of each form as required in
32 Section 143 of this Code, \$25 per form. The fee for
33 advisory and rating organizations shall be \$100 per form.

34 (i) For the purposes of the form filing fee,

1 filings made on insert page basis will be considered
2 one form at the time of its original submission.
3 Changes made to a form subsequent to its approval
4 shall be considered a new filing.

5 (ii) Only one fee shall be charged for a form,
6 regardless of the number of other forms or policies
7 with which it will be used.

8 (iii) Fees charged for a policy filed as it
9 will be issued regardless of the number of forms
10 comprising that policy shall not exceed \$500 or
11 \$1000 for advisory or rating organizations.

12 (iv) The Director may by rule exempt forms
13 from such fees.

14 (kk) For filing an application for licensing of a
15 reinsurance intermediary, \$250.

16 (ll) For filing an application for renewal of a
17 license of a reinsurance intermediary, \$100.

18 (2) When printed copies or numerous copies of the same
19 paper or records are furnished or certified, the Director may
20 reduce such fees for copies if he finds them excessive. He
21 may, when he considers it in the public interest, furnish
22 without charge to state insurance departments and persons
23 other than companies, copies or certified copies of reports
24 of examinations and of other papers and records.

25 (3) The expenses incurred in any performance examination
26 authorized by law shall be paid by the company or person
27 being examined. The charge shall be reasonably related to the
28 cost of the examination including but not limited to
29 compensation of examiners, electronic data processing costs,
30 supervision and preparation of an examination report and
31 lodging and travel expenses. All lodging and travel expenses
32 shall be in accord with the applicable travel regulations as
33 published by the Department of Central Management Services
34 and approved by the Governor's Travel Control Board, except

1 that out-of-state lodging and travel expenses related to
2 examinations authorized under Section 132 shall be in
3 accordance with travel rates prescribed under paragraph
4 301-7.2 of the Federal Travel Regulations, 41 C.F.R. 301-7.2,
5 for reimbursement of subsistence expenses incurred during
6 official travel. All lodging and travel expenses may be
7 reimbursed directly upon authorization of the Director. With
8 the exception of the direct reimbursements authorized by the
9 Director, all performance examination charges collected by
10 the Department shall be paid to the Insurance Producers
11 Administration Fund, however, the electronic data processing
12 costs incurred by the Department in the performance of any
13 examination shall be billed directly to the company being
14 examined for payment to the Statistical Services Revolving
15 Fund.

16 (4) At the time of any service of process on the
17 Director as attorney for such service, the Director shall
18 charge and collect the sum of \$10.00, which may be recovered
19 as taxable costs by the party to the suit or action causing
20 such service to be made if he prevails in such suit or
21 action.

22 (5) (a) The costs incurred by the Department of
23 Insurance in conducting any hearing authorized by law shall
24 be assessed against the parties to the hearing in such
25 proportion as the Director of Insurance may determine upon
26 consideration of all relevant circumstances including: (1)
27 the nature of the hearing; (2) whether the hearing was
28 instigated by, or for the benefit of a particular party or
29 parties; (3) whether there is a successful party on the
30 merits of the proceeding; and (4) the relative levels of
31 participation by the parties.

32 (b) For purposes of this subsection (5) costs incurred
33 shall mean the hearing officer fees, court reporter fees, and
34 travel expenses of Department of Insurance officers and

1 employees; provided however, that costs incurred shall not
2 include hearing officer fees or court reporter fees unless
3 the Department has retained the services of independent
4 contractors or outside experts to perform such functions.

5 (c) The Director shall make the assessment of costs
6 incurred as part of the final order or decision arising out
7 of the proceeding; provided, however, that such order or
8 decision shall include findings and conclusions in support of
9 the assessment of costs. This subsection (5) shall not be
10 construed as permitting the payment of travel expenses unless
11 calculated in accordance with the applicable travel
12 regulations of the Department of Central Management Services,
13 as approved by the Governor's Travel Control Board. The
14 Director as part of such order or decision shall require all
15 assessments for hearing officer fees and court reporter fees,
16 if any, to be paid directly to the hearing officer or court
17 reporter by the party(s) assessed for such costs. The
18 assessments for travel expenses of Department officers and
19 employees shall be reimbursable to the Director of Insurance
20 for deposit to the fund out of which those expenses had been
21 paid.

22 (d) The provisions of this subsection (5) shall apply in
23 the case of any hearing conducted by the Director of
24 Insurance not otherwise specifically provided for by law.

25 (6) The Director shall charge and collect an annual
26 financial regulation fee from every domestic company for
27 examination and analysis of its financial condition and to
28 fund the internal costs and expenses of the Interstate
29 Insurance Receivership Commission as may be allocated to the
30 State of Illinois and companies doing an insurance business
31 in this State pursuant to Article X of the Interstate
32 Insurance Receivership Compact. The fee shall be the greater
33 fixed amount based upon the combination of nationwide direct
34 premium income and nationwide reinsurance assumed premium

1 income or upon admitted assets calculated under this
2 subsection as follows:

3 (a) Combination of nationwide direct premium income
4 and nationwide reinsurance assumed premium.

5 (i) \$100, if the premium is less than \$500,000
6 and there is no reinsurance assumed premium;

7 (ii) \$500, if the premium is \$500,000 or more,
8 but less than \$5,000,000 and there is no reinsurance
9 assumed premium; or if the premium is less than
10 \$5,000,000 and the reinsurance assumed premium is
11 less than \$10,000,000;

12 (iii) \$2,500, if the premium is less than
13 \$5,000,000 and the reinsurance assumed premium is
14 \$10,000,000 or more;

15 (iv) \$5,000, if the premium is \$5,000,000 or
16 more, but less than \$10,000,000;

17 (v) \$12,000, if the premium is \$10,000,000 or
18 more, but less than \$25,000,000;

19 (vi) \$15,000, if the premium is \$25,000,000 or
20 more, but less than \$50,000,000;

21 (vii) \$20,000, if the premium is \$50,000,000
22 or more, but less than \$100,000,000;

23 (viii) \$25,000, if the premium is \$100,000,000
24 or more.

25 (b) Admitted assets.

26 (i) \$100, if admitted assets are less than
27 \$1,000,000;

28 (ii) \$500, if admitted assets are \$1,000,000
29 or more, but less than \$5,000,000;

30 (iii) 2,500, if admitted assets are \$5,000,000
31 or more, but less than \$25,000,000;

32 (iv) \$5,000, if admitted assets are
33 \$25,000,000 or more, but less than \$50,000,000;

34 (v) \$12,000, if admitted assets are

1 \$50,000,000 or more, but less than \$100,000,000;

2 (vi) \$15,000, if admitted assets are
3 \$100,000,000 or more, but less than \$500,000,000;

4 (vii) \$20,000, if admitted assets are
5 \$500,000,000 or more, but less than \$1,000,000,000;

6 (viii) \$25,000, if admitted assets are
7 \$1,000,000,000 or more.

8 (c) The sum of financial regulation fees charged to
9 the domestic companies of the same affiliated group shall
10 not exceed \$100,000 in the aggregate in any single year
11 and shall be billed by the Director to the member company
12 designated by the group.

13 (7) The Director shall charge and collect an annual
14 financial regulation fee from every foreign or alien company,
15 except fraternal benefit societies, for the examination and
16 analysis of its financial condition and to fund the internal
17 costs and expenses of the Interstate Insurance Receivership
18 Commission as may be allocated to the State of Illinois and
19 companies doing an insurance business in this State pursuant
20 to Article X of the Interstate Insurance Receivership
21 Compact. The fee shall be a fixed amount based upon Illinois
22 direct premium income and nationwide reinsurance assumed
23 premium income in accordance with the following schedule:

24 (a) \$100, if the premium is less than \$500,000 and
25 there is no reinsurance assumed premium;

26 (b) \$500, if the premium is \$500,000 or more, but
27 less than \$5,000,000 and there is no reinsurance assumed
28 premium; or if the premium is less than \$5,000,000 and
29 the reinsurance assumed premium is less than \$10,000,000;

30 (c) \$2,500, if the premium is less than \$5,000,000
31 and the reinsurance assumed premium is \$10,000,000 or
32 more;

33 (d) \$5,000, if the premium is \$5,000,000 or more,
34 but less than \$10,000,000;

1 (e) \$12,000, if the premium is \$10,000,000 or more,
2 but less than \$25,000,000;

3 (f) \$15,000, if the premium is \$25,000,000 or more,
4 but less than \$50,000,000;

5 (g) \$20,000, if the premium is \$50,000,000 or more,
6 but less than \$100,000,000;

7 (h) \$25,000, if the premium is \$100,000,000 or
8 more.

9 The sum of financial regulation fees under this
10 subsection (7) charged to the foreign or alien companies
11 within the same affiliated group shall not exceed \$100,000 in
12 the aggregate in any single year and shall be billed by the
13 Director to the member company designated by the group.

14 (8) Beginning January 1, 1992, the financial regulation
15 fees imposed under subsections (6) and (7) of this Section
16 shall be paid by each company or domestic affiliated group
17 annually. After January 1, 1994, the fee shall be billed by
18 Department invoice based upon the company's premium income or
19 admitted assets as shown in its annual statement for the
20 preceding calendar year. The invoice is due upon receipt and
21 must be paid no later than June 30 of each calendar year.
22 All financial regulation fees collected by the Department
23 shall be paid to the Insurance Financial Regulation Fund.
24 The Department may not collect financial examiner per diem
25 charges from companies subject to subsections (6) and (7) of
26 this Section undergoing financial examination after June 30,
27 1992.

28 (9) In addition to the financial regulation fee required
29 by this Section, a company undergoing any financial
30 examination authorized by law shall pay the following costs
31 and expenses incurred by the Department: electronic data
32 processing costs, the expenses authorized under Section
33 131.21 and subsection (d) of Section 132.4 of this Code, and
34 lodging and travel expenses.

1 Electronic data processing costs incurred by the
2 Department in the performance of any examination shall be
3 billed directly to the company undergoing examination for
4 payment to the Statistical Services Revolving Fund. Except
5 for direct reimbursements authorized by the Director or
6 direct payments made under Section 131.21 or subsection (d)
7 of Section 132.4 of this Code, all financial regulation fees
8 and all financial examination charges collected by the
9 Department shall be paid to the Insurance Financial
10 Regulation Fund.

11 All lodging and travel expenses shall be in accordance
12 with applicable travel regulations published by the
13 Department of Central Management Services and approved by the
14 Governor's Travel Control Board, except that out-of-state
15 lodging and travel expenses related to examinations
16 authorized under Sections 132.1 through 132.7 shall be in
17 accordance with travel rates prescribed under paragraph
18 301-7.2 of the Federal Travel Regulations, 41 C.F.R. 301-7.2,
19 for reimbursement of subsistence expenses incurred during
20 official travel. All lodging and travel expenses may be
21 reimbursed directly upon the authorization of the Director.

22 In the case of an organization or person not subject to
23 the financial regulation fee, the expenses incurred in any
24 financial examination authorized by law shall be paid by the
25 organization or person being examined. The charge shall be
26 reasonably related to the cost of the examination including,
27 but not limited to, compensation of examiners and other costs
28 described in this subsection.

29 (10) Any company, person, or entity failing to make any
30 payment of \$100 or more as required under this Section shall
31 be subject to the penalty and interest provisions provided
32 for in subsections (4) and (7) of Section 412.

33 (11) Unless otherwise specified, all of the fees
34 collected under this Section shall be paid into the Insurance

1 Financial Regulation Fund.

2 (12) For purposes of this Section:

3 (a) "Domestic company" means a company as defined
4 in Section 2 of this Code which is incorporated or
5 organized under the laws of this State, and in addition
6 includes a not-for-profit corporation authorized under
7 the Dental Service Plan Act or the Voluntary Health
8 Services Plans Act, a health maintenance organization,
9 and a limited health service organization.

10 (b) "Foreign company" means a company as defined in
11 Section 2 of this Code which is incorporated or organized
12 under the laws of any state of the United States other
13 than this State and in addition includes a health
14 maintenance organization and a limited health service
15 organization which is incorporated or organized under the
16 laws of any state of the United States other than this
17 State.

18 (c) "Alien company" means a company as defined in
19 Section 2 of this Code which is incorporated or organized
20 under the laws of any country other than the United
21 States.

22 (d) "Fraternal benefit society" means a
23 corporation, society, order, lodge or voluntary
24 association as defined in Section 282.1 of this Code.

25 (e) "Mutual benefit association" means a company,
26 association or corporation authorized by the Director to
27 do business in this State under the provisions of Article
28 XVIII of this Code.

29 (f) "Burial society" means a person, firm,
30 corporation, society or association of individuals
31 authorized by the Director to do business in this State
32 under the provisions of Article XIX of this Code.

33 (g) "Farm mutual" means a district, county and
34 township mutual insurance company authorized by the

1 Director to do business in this State under the
2 provisions of the Farm Mutual Insurance Company Act of
3 1986.

4 (Source: P.A. 90-177, eff. 7-23-97; 90-583, eff. 5-29-98;
5 91-357, eff. 7-29-99.)