



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

HB5026

Introduced 1/25/2010, by Rep. Angelo Saviano

SYNOPSIS AS INTRODUCED:

215 ILCS 5/107a.07

Amends the Illinois Insurance Code. Provides that, in evaluating the financial strength of a qualified group workers' compensation pool, the Department of Insurance shall consider the gross annual payroll of members, which must be at least \$10,000,000 for active pools not in runoff (instead of which must be at least \$10,000,000). Effective immediately.

LRB096 18341 RPM 33718 b

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 107a.07 as follows:

6 (215 ILCS 5/107a.07)

7 Sec. 107a.07. Standards for issuing and maintaining pool
8 certificates of authority.

9 (a) The Department shall consider the following in
10 evaluating the financial strength of the pool:

11 (1) The number of employees covered by the pool.

12 (2) The particular industries in which the
13 participants are engaged.

14 (3) The combined net worth of pool participants.

15 (4) Any excess insurance purchased from authorized
16 insurers.

17 (5) The gross annual payroll of members, which must be
18 at least \$10,000,000 for active pools not in runoff.

19 (b) The pool administrator must either contract with a
20 licensed service company or have sufficient resources, such as
21 those set forth in item (3) of subsection (b) of Section
22 107a.06, to administer the proposed pool.

23 (c) The Department must determine whether the pool can

1 ensure that individual pool members are in compliance with
2 Section 107a.08.

3 (Source: P.A. 91-757, eff. 1-1-01.)

4 Section 99. Effective date. This Act takes effect upon
5 becoming law.