

HB5685



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

HB5685

Introduced 2/9/2010, by Rep. David R. Leitch

SYNOPSIS AS INTRODUCED:

215 ILCS 5/803.1

Amends the Illinois Insurance Code. Provides that the Illinois Mine Subsidence Insurance Fund may coordinate with the Illinois State Geological Survey (ISGS) to integrate mine subsidence claim information with corresponding maps on the ISGS website. Provides that neither the Fund nor ISGS shall be liable for the disclosure of any claim information on the ISGS website.

LRB096 19085 RPM 34476 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

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 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 adopted
2 by the Fund as authorized by the reinsurance agreement.

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

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

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

25 (g) The Fund shall develop at least 2 consumer information
26 publications to aid the public in understanding mine subsidence

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

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

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

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

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

21 (j) The Fund may coordinate with the Illinois State
22 Geological Survey (ISGS) to integrate mine subsidence claim
23 information with corresponding maps on the ISGS website.
24 Notwithstanding any other law to the contrary, neither the Fund
25 nor ISGS shall be liable for the disclosure of any claim
26 information on the ISGS website.

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