

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 Counties Code is amended by adding Section
5 3-5048 as follows:

6 (55 ILCS 5/3-5048 new)

7 Sec. 3-5048. Mine subsidence claims; title search. Every
8 recorder must accept notice of a payment of a claim for mine
9 subsidence insurance and file this information in a way that
10 allows it to be accessed in a title search of the property.

11 Section 10. The Illinois Insurance Code is amended by
12 changing Section 805.1 as follows:

13 (215 ILCS 5/805.1)

14 Sec. 805.1. Mine Subsidence Coverage.

15 (a) Beginning January 1, 1994, every policy issued or
16 renewed insuring a residence on a direct basis shall include,
17 at a separately stated premium, residential coverage unless
18 waived in writing by the insured. Beginning January 1, 1994,
19 every policy issued or renewed insuring a commercial building
20 on a direct basis shall include at a separately stated premium,
21 commercial coverage unless waived in writing by the insured.

1 Beginning January 1, 1994, every policy issued or renewed
2 insuring a living unit on a direct basis shall include, at a
3 separately stated premium, living unit coverage unless waived
4 in writing by the insured.

5 (b) If the insured has previously waived mine subsidence
6 coverage in writing, the insurer or agent need not offer mine
7 subsidence coverage in any renewal or supplementary policy in
8 connection with a policy previously issued to such insured by
9 the same insurer, unless the insured subsequently makes a
10 written request for mine subsidence coverage.

11 (c) The premium charged for residential, commercial or
12 living unit coverage shall be the premium level set by the
13 Fund. The loss covered shall be the loss in excess of the
14 deductible or retention established by the Fund and contained
15 in a mine subsidence endorsement to the policy. For all
16 policies issued or renewed on or after January 1, 2008, the
17 reinsured loss per residence, per commercial building, and per
18 living unit shall be the amounts established by the Fund and
19 approved by the Director. For all policies issued or renewed on
20 or after January 1, 1996, the amount of reinsurance available
21 from the Fund shall not be less than \$200,000 per residence,
22 \$200,000 per commercial building, or \$15,000 per living unit.
23 The Fund may, from time to time, adjust the amount of
24 reinsurance available as long as the minimum set by this
25 Section is met.

26 (d) The residential coverage provided pursuant to this

1 Article may also cover the additional living expenses
2 reasonably and necessarily incurred by the owner of a residence
3 who has been temporarily displaced as the direct result of
4 damage to the residence caused by mine subsidence if the
5 underlying policy also covers this type of loss, provided
6 however, that the loss covered under living unit coverage shall
7 be limited to losses to improvements and betterments, and
8 reimbursement of additional living expenses and assessments
9 made against the insured on account of mine subsidence loss.

10 (e) The total amount of the loss reimbursable to an insurer
11 shall be limited to the amount of insurance reinsured by the
12 Fund in force at the time when the damage first becomes
13 reasonably observable. All damage caused by a single mine
14 subsidence event or several subsidence events which are
15 continuous shall constitute one occurrence.

16 (f) No insurer shall be required to offer mine subsidence
17 coverage in excess of the reinsured limits.

18 (g) If an insurer pays a claim to an insured for mine
19 subsidence, the insurer must file notice of that claim with the
20 recorder of the county where the insured's property is located.
21 The notice document shall be subject to the fees and real
22 estate document recording standards contained in Section
23 3-5018 of the Counties Code.

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