



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

SB0141

Introduced 1/27/2011, by Sen. Iris Y. Martinez

SYNOPSIS AS INTRODUCED:

215 ILCS 155/14 from Ch. 73, par. 1414
215 ILCS 155/14.1
215 ILCS 155/14.2 new
30 ILCS 105/5.786 new

Amends the Title Insurance Act. Makes changes to the provision concerning fees paid by title insurance companies and independent escrowees. Creates a special income-earning fund, known as the Title Insurance Consumer Protection Fund, in the State Treasury. Sets forth the fees collected by the Department of Financial and Professional Regulation that shall be deposited in the Fund. Provides that money in the Fund shall be used solely for the purpose of providing restitution to consumers who have suffered monetary loss arising out of a transaction regulated by the Act. Provides that money in the Fund shall be subrogated to the amount of the restitution. Provides that money in the Fund may be transferred to the Professions Indirect Cost Fund. Amends the State Finance Act to create the Title Insurance Consumer Protection Fund. Makes other changes. Effective immediately.

LRB097 02767 RPM 42789 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 Title Insurance Act is amended by changing
5 Sections 14 and 14.1 and by adding Section 14.2 as follows:

6 (215 ILCS 155/14) (from Ch. 73, par. 1414)

7 Sec. 14. Fees.

8 (a) Every title insurance company and every independent
9 escrowee subject to this Act shall pay the following fees:

10 (1) for filing the original application for a
11 certificate of authority and receiving the deposit
12 required under this Act, \$500;

13 (2) for the certificate of authority, \$10;

14 (3) for every copy of a paper filed in the Department
15 under this Act, \$1 per folio;

16 (4) for affixing the seal of the Department and
17 certifying a copy, \$2; and

18 (5) for filing the annual statement, \$50.

19 (b) Each title insurance company shall pay, for all of its
20 title insurance agents subject to this Act for filing an annual
21 registration of its agents, an amount equal to \$3 for each
22 policy issued by all of its agents in the immediately preceding
23 calendar year.

1 (c) Each title insurance company shall pay, on or before
2 February 1 of the following year, an amount equal to \$3 for
3 each policy directly issued by the title insurance company in
4 the immediately preceding calendar year.

5 (Source: P.A. 93-32, eff. 7-1-03; 94-893, eff. 6-20-06.)

6 (215 ILCS 155/14.1)

7 Sec. 14.1. Financial Institutions Fund. All moneys
8 received by the Department of Financial and Professional
9 Regulation under this Act, except for money received under
10 subsection (c) of Section 14 of this Act, shall be deposited in
11 the Financial Institutions Fund created under Section 6z-26 of
12 the State Finance Act.

13 (Source: P.A. 94-893, eff. 6-20-06.)

14 (215 ILCS 155/14.2 new)

15 Sec. 14.2. Consumer Protection Fund.

16 (a) A special income-earning fund is hereby created in the
17 State treasury, known as the Title Insurance Consumer
18 Protection Fund.

19 (b) All money received by the Department under subsection
20 (c) of Section 14 of this Act shall be deposited in the Title
21 Insurance Consumer Protection Fund created under this Section.

22 (c) All money paid into the Fund together with all
23 accumulated undistributed income thereon shall be held as a
24 special fund in the State treasury. The Fund shall be used

1 solely for the purpose of providing restitution to consumers
2 who have suffered monetary loss arising out of a transaction
3 regulated by this Act.

4 (d) Money in the Fund shall be applied only to restitution
5 when restitution has been ordered by the Secretary. Restitution
6 must not exceed the amount actually lost by the consumer. Money
7 in the Fund may not be used for the payment of attorneys fees
8 or other fees.

9 (e) The Fund shall be subrogated to the amount of the
10 restitution. The Secretary shall request the Attorney General
11 to engage in all reasonable collection steps to collect
12 restitution from the party responsible for the loss and
13 reimburse the Fund.

14 (f) Notwithstanding any other provisions of this Section,
15 the payment of restitution from the Fund shall be a matter of
16 grace and not of right. No consumer shall have any vested
17 rights in the Fund as a beneficiary or otherwise. Before
18 seeking restitution from the Fund, the consumer seeking payment
19 of restitution shall apply for restitution on a form provided
20 by the Secretary. The form shall include any information the
21 Secretary may reasonably require in order to determine that
22 restitution is appropriate.

23 (g) Notwithstanding any other provision of this Section,
24 money in the Title Insurance Consumer Protection Fund may be
25 transferred to the Professions Indirect Cost Fund as authorized
26 under Section 2105-300 of the Department of Professional

1 Regulation Law of the Civil Administrative Code of Illinois.

2 Section 90. The State Finance Act is amended by adding
3 Section 5.786 as follows:

4 (30 ILCS 105/5.786 new)

5 Sec. 5.786. The Title Insurance Consumer Protection Fund.

6 Section 99. Effective date. This Act takes effect upon
7 becoming law.