

1 AN ACT concerning regulation.

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 500-10 as follows:

6 (215 ILCS 5/500-10)

7 (Section scheduled to be repealed on January 1, 2017)

8 Sec. 500-10. Definitions. In addition to the definitions in
9 Section 2 of the Code, the following definitions apply to this
10 Article:

11 "Business entity" means a corporation, association,
12 partnership, limited liability company, limited liability
13 partnership, or other legal entity.

14 "Car rental limited line licensee" means a person
15 authorized under the provisions of Section 500-105 to sell
16 certain coverages relating to the rental of vehicles.

17 "Home state" means the District of Columbia and any state
18 or territory of the United States in which an insurance
19 producer maintains his or her principal place of residence or
20 principal place of business and is licensed to act as an
21 insurance producer.

22 "Insurance" means any of the lines of authority in Section
23 500-35, any health care plan under the Health Maintenance

1 Organization Act, or any limited health care plan under the
2 Limited Health Service Organization Act.

3 "Insurance producer" means a person required to be licensed
4 under the laws of this State to sell, solicit, or negotiate
5 insurance.

6 "Insurer" means a company as defined in subsection (e) of
7 Section 2 of this Code, a health maintenance organization as
8 defined in the Health Maintenance Organization Act, or a
9 limited health service organization as defined in the Limited
10 Health Service Organization Act.

11 "License" means a document issued by the Director
12 authorizing an individual to act as an insurance producer for
13 the lines of authority specified in the document or authorizing
14 a business entity to act as an insurance producer. The license
15 itself does not create any authority, actual, apparent, or
16 inherent, in the holder to represent or commit an insurance
17 carrier.

18 "Limited lines insurance" means those lines of insurance
19 defined in Section 500-100 or any other line of insurance that
20 the Director may deem it necessary to recognize for the
21 purposes of complying with subsection (e) of Section 500-40.

22 "Limited lines producer" means a person authorized by the
23 Director to sell, solicit, or negotiate limited lines
24 insurance.

25 "Negotiate" means the act of conferring directly with or
26 offering advice directly to a purchaser or prospective

1 purchaser of a particular contract of insurance concerning any
2 of the substantive benefits, terms, or conditions of the
3 contract, provided that the person engaged in that act either
4 sells insurance or obtains insurance from insurers for
5 purchasers.

6 "Person" means an individual or a business entity.

7 "Rental agreement" means a written agreement setting forth
8 the terms and conditions governing the use of a vehicle
9 provided by a rental company for rental or lease.

10 "Rental company" means a person, or a franchisee of the
11 person, in the business of providing primarily private
12 passenger vehicles to the public under a rental agreement for a
13 period not to exceed 30 days.

14 "Rental period" means the term of the rental agreement.

15 "Renter" means a person obtaining the use of a vehicle from
16 a rental company under the terms of a rental agreement for a
17 period not to exceed 30 days.

18 "Self-service storage facility limited line licensee"
19 means a person authorized under the provisions of Section
20 500-107 to sell certain coverages relating to the rental of
21 self-service storage facilities.

22 "Sell" means to exchange a contract of insurance by any
23 means, for money or its equivalent, on behalf of an insurance
24 company.

25 "Solicit" means attempting to sell insurance or asking or
26 urging a person to apply for a particular kind of insurance

1 from a particular company.

2 "Terminate" means the cancellation of the relationship
3 between an insurance producer and the insurer or the
4 termination of a producer's authority to transact insurance.

5 "Travel insurance" means insurance coverage for personal
6 risks incident to planned travel, including, but not limited to
7 (1) interruption or cancellation of a trip or event, (2) loss
8 of baggage or personal effects, (3) damages to accommodations
9 or rental vehicles, or (4) sickness, accident, disability, or
10 death occurring during travel. "Travel insurance" does not
11 include major medical plans that provide comprehensive medical
12 protection for travelers with trips lasting 6 months or longer,
13 including those working overseas as an ex-patriot or as
14 military personnel on deployment.

15 "Uniform Business Entity Application" means the current
16 version of the National Association of Insurance
17 Commissioners' Uniform Business Entity Application for
18 nonresident business entities.

19 "Uniform Application" means the current version of the
20 National Association of Insurance Commissioners' Uniform
21 Application for nonresident producer licensing.

22 "Vehicle" or "rental vehicle" means a motor vehicle of (1)
23 the private passenger type, including passenger vans, mini
24 vans, and sport utility vehicles or (2) the cargo type,
25 including cargo vans, pickup trucks, and trucks with a gross
26 vehicle weight of less than 26,000 pounds the operation of

1 which does not require the operator to possess a commercial
2 driver's license.

3 "Webinar" means an online educational presentation during
4 which a live and participating instructor and participating
5 viewers, whose attendance is periodically verified throughout
6 the presentation, actively engage in discussion and in the
7 submission and answering of questions.

8 (Source: P.A. 97-113, eff. 7-14-11.)