



Sen. Pamela J. Althoff

Filed: 5/14/2013

09800HB3349sam002

LRB098 09295 JDS 45892 a

1 AMENDMENT TO HOUSE BILL 3349

2 AMENDMENT NO. _____. Amend House Bill 3349 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Drycleaner Environmental Response Trust
5 Fund Act is amended by changing Section 45 as follows:

6 (415 ILCS 135/45)

7 Sec. 45. Insurance account.

8 (a) The insurance account shall offer financial assurance
9 for a qualified owner or operator of a drycleaning facility
10 under the terms and conditions provided for under this Section.
11 Coverage may be provided to either the owner or the operator of
12 a drycleaning facility. The Council is not required to resolve
13 whether the owner or operator, or both, are responsible for a
14 release under the terms of an agreement between the owner and
15 operator.

16 (b) The source of funds for the insurance account shall be

1 as follows:

2 (1) Moneys appropriated to the Council or moneys
3 allocated to the insurance account by the Council according
4 to the Fund budget approved by the Council.

5 (2) Moneys collected as an insurance premium,
6 including service fees, if any.

7 (3) Investment income attributed to the insurance
8 account by the Council.

9 (c) An owner or operator may purchase coverage of up to
10 \$500,000 per drycleaning facility subject to the terms and
11 conditions under this Section and those adopted by the Council.
12 Coverage shall be limited to remedial action costs associated
13 with soil and groundwater contamination resulting from a
14 release of drycleaning solvent at an insured drycleaning
15 facility, including third-party liability for soil and
16 groundwater contamination. Coverage is not provided for a
17 release that occurred before the date of coverage.

18 (d) An owner or operator, subject to underwriting
19 requirements and terms and conditions deemed necessary and
20 convenient by the Council, may purchase insurance coverage from
21 the insurance account provided that the drycleaning facility to
22 be insured meets the following conditions:

23 (1) a site investigation designed to identify soil and
24 groundwater contamination resulting from the release of a
25 drycleaning solvent has been completed. The Council shall
26 determine if the site investigation is adequate. This

1 investigation must be completed by June 30, 2006. For
2 drycleaning facilities that apply for insurance coverage
3 after June 30, 2006, the site investigation must be
4 completed prior to issuance of insurance coverage; and

5 (2) the drycleaning facility is participating in and
6 meets all requirements of a drycleaning compliance program
7 approved by the Council.

8 (e) The annual premium for insurance coverage shall be:

9 (1) For the year July 1, 1999 through June 30, 2000,
10 \$250 per drycleaning facility.

11 (2) For the year July 1, 2000 through June 30, 2001,
12 \$375 per drycleaning facility.

13 (3) For the year July 1, 2001 through June 30, 2002,
14 \$500 per drycleaning facility.

15 (4) For the year July 1, 2002 through June 30, 2003,
16 \$625 per drycleaning facility.

17 (5) For subsequent years, an owner or operator applying
18 for coverage shall pay an annual actuarially-sound
19 insurance premium for coverage by the insurance account.
20 The Council may approve Fund coverage through the payment
21 of a premium established on an actuarially-sound basis,
22 taking into consideration the risk to the insurance account
23 presented by the insured. Risk factor adjustments utilized
24 to determine actuarially-sound insurance premiums should
25 reflect the range of risk presented by the variety of
26 drycleaning systems, monitoring systems, drycleaning

1 volume, risk management practices, and other factors as
2 determined by the Council. As used in this item,
3 "actuarially sound" is not limited to Fund premium revenue
4 equaling or exceeding Fund expenditures for the general
5 drycleaning facility population. Actuarially-determined
6 premiums shall be published at least 180 days prior to the
7 premiums becoming effective.

8 (e-5) If an insurer sends a second notice to an owner or
9 operator demanding immediate payment of a past-due premium for
10 insurance services provided pursuant to this Act, the demand
11 for payment must offer a grace period of not less than 30 days
12 during which the owner or operator shall be allowed to pay any
13 premiums due. If payment is made during that period, coverage
14 under this Act shall not be terminated for non-payment by the
15 insurer.

16 (e-6) If an insurer terminates an owner or operator's
17 coverage under this Act, the insurer must send a written notice
18 to the owner or operator to inform him or her of the
19 termination of that coverage, and that notice must include
20 instructions on how to seek reinstatement of coverage, as well
21 as information concerning any premiums or penalties that might
22 be due.

23 (f) If coverage is purchased for any part of a year, the
24 purchaser shall pay the full annual premium. The insurance
25 premium is fully earned upon issuance of the insurance policy.

26 (g) The insurance coverage shall be provided with a \$10,000

1 deductible policy.

2 (h) A future repeal of this Section shall not terminate the
3 obligations under this Section or authority necessary to
4 administer the obligations until the obligations are
5 satisfied, including but not limited to the payment of claims
6 filed prior to the effective date of any future repeal against
7 the insurance account until moneys in the account are
8 exhausted. Upon exhaustion of the moneys in the account, any
9 remaining claims shall be invalid. If moneys remain in the
10 account following satisfaction of the obligations under this
11 Section, the remaining moneys and moneys due the account shall
12 be used to assist current insureds to obtain a viable insuring
13 mechanism as determined by the Council after public notice and
14 opportunity for comment.

15 (Source: P.A. 93-201, eff. 1-1-04.)

16 Section 99. Effective date. This Act takes effect upon
17 becoming law."