

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 adding Section 155.37 as follows:

6 (215 ILCS 5/155.37 new)

7 Sec. 155.37. Homeowner's insurance; disclosure.

8 (a) A company that sells homeowner's insurance, as
9 defined in Section 523, or fire and extended coverage
10 insurance, as defined in subsection (b) of Section 143.13,
11 must include in 16-point bold-face type on the cover of each
12 policy the following:

13 (1) the definition of the term "replacement policy"
14 as used in the policy;

15 (2) the definition of the term "guaranteed
16 replacement policy" as used in the policy;

17 (3) a statement explaining the term "limit of
18 liability" as that term relates to replacement or
19 guaranteed replacement in the event of a loss by the
20 insured; and

21 (4) the page and section number of the policy that
22 contains the explanation of the effect of the limits of
23 liability under the policy on the coverage provided under
24 a replacement policy.

25 (b) This Section applies to policies amended, delivered,
26 issued, or renewed on and after the effective date of this
27 amendatory Act of the 92nd General Assembly.

28 Section 99. Effective date. This Act takes effect upon
29 becoming law.