

AN ACT concerning regulation.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Section 5. The Illinois Insurance Code is amended by changing Section 1403 as follows:

(215 ILCS 5/1403)

Sec. 1403. Licensure requirements for financial institutions.

(a) A financial institution transacting insurance business in this State shall register with the Director pursuant to the Illinois Insurance Code and shall be subject to the laws, rules, and penalties of the Illinois Insurance Code.

(b) The solicitation and sale of insurance by a financial institution shall be conducted only by individuals who have been issued and maintain an insurance producer's license pursuant to the Illinois Insurance Code and shall be subject to the laws, rules, and penalties of the Illinois Insurance Code.

(c) For the purposes of this Section, a "financial institution" means the subsidiary of a financial institution when the financial institution is transacting insurance business in this State only through the subsidiary. For the purposes of Section 499.1 of the Illinois Insurance Code, a financial institution shall be deemed to be a corporation.

(d) Nothing in Section 500-100 of this Code shall be construed to require a limited lines producer license or any other form or class of producer's license for financial institutions, or their employees, if the financial institution has purchased or sponsored a group credit life, credit accident and health, credit casualty, credit property, or other group credit insurance policy or program under which the financial institution enrolls or performs other administrative services, or both, to enable individuals to purchase insurance coverage under the group credit insurance policy sold by a licensed producer in compliance with Section 155.56. A financial institution that performs enrollment or other administrative services, or both, with respect to its group credit insurance policies or programs shall be deemed to be in compliance with paragraph (2) of subsection (b) of Section 500-20 of this Code.

(Source: P.A. 90-41, eff. 10-1-97.)

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