



## 104TH GENERAL ASSEMBLY

### State of Illinois

2025 and 2026

HB4430

Introduced 1/20/2026, by Rep. Anne Stava

#### SYNOPSIS AS INTRODUCED:

205 ILCS 5/48.7 new  
215 ILCS 5/1515

Amends the Illinois Banking Act. Requires a bank to confirm the identification of a payee and verify endorsements are proper before processing a check for which the name of a borrower or other payee is relied upon for payment, credit, or loan disbursement. Provides that a bank may satisfy the verification requirements through the specified commercially reasonable means of identification. Exempts checks processed solely through automated check clearing processes without manual review, that are authorized by federal law. Amends the Public Adjusters Article of the Illinois Insurance Code. Establishes proof of licensure requirements for licensed public adjusters.

LRB104 16903 BAB 30314 b

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 Banking Act is amended by adding  
5 Section 48.7 as follows:

6 (205 ILCS 5/48.7 new)

7 Sec. 48.7. Verification of payee and check endorsement.

8 (a) Before processing a check for which the name of a  
9 borrower or other payee is relied upon for payment, credit, or  
10 loan disbursement, a bank shall:

11 (1) confirm that the named payee on the check matches  
12 the person or entity presenting or authorizing the check;  
13 and

14 (2) verify that all endorsements are properly  
15 authorized and consistent with the payee identified on the  
16 face of the check.

17 (b) A bank may satisfy the requirements of subsection (a)  
18 through commercially reasonable means of identification,  
19 including:

20 (1) review of government-issued identification;

21 (2) comparison with account records maintained by the  
22 bank; or

23 (3) confirmation through a clearing bank or issuing

1       bank.

2       (c) This Section does not apply to checks processed solely  
3 through automated check clearing processes, without manual  
4 review, that are authorized by federal law.

5       Section 10. The Illinois Insurance Code is amended by  
6 changing Section 1515 as follows:

7       (215 ILCS 5/1515)

8       Sec. 1515. License required.

9       (a) A person shall not act, advertise, solicit, or hold  
10 himself out as a public adjuster or to be in the business of  
11 adjusting insurance claims in this State, nor attempt to  
12 obtain a contract for public adjusting services, unless the  
13 person is licensed as a public adjuster in accordance with  
14 this Article.

15       (b) A person licensed as a public adjuster shall not  
16 misrepresent to a claimant that he or she is an adjuster  
17 representing an insurer in any capacity, including acting as  
18 an employee of the insurer or acting as an independent  
19 adjuster unless so appointed by an insurer in writing to act on  
20 the insurer's behalf for that specific claim or purpose. A  
21 licensed public adjuster is prohibited from charging that  
22 specific claimant a fee when appointed by the insurer and the  
23 appointment is accepted by the public adjuster.

24       (c) A business entity acting as a public adjuster is

1 required to obtain a public adjuster license. Application  
2 shall be made using the Uniform Business Entity Application.  
3 Before approving the application, the Director shall find  
4 that:

5 (1) the business entity has paid the required fees to  
6 be registered as a business entity in this State; and

7 (2) all officers, shareholders, and persons with  
8 ownership interests in the business entity are licensed  
9 public adjusters responsible for the business entity's  
10 compliance with the insurance laws, rules, and regulations  
11 of this State.

12 (c-5) A licensed public adjuster shall, before any  
13 substantive negotiations take place under an agreement to  
14 represent an insured, provide the insurance carrier with proof  
15 of being licensed as a public adjuster in the State of  
16 Illinois, pursuant to the requirements of this Article. If  
17 proof is not provided, the insurance carrier shall notify the  
18 insured and the Department. The public adjuster may not charge  
19 or accept any compensation, payment, commission, fee, or other  
20 valuable consideration in excess of those allowed for by  
21 Section 1570 of this Article for actions required by this  
22 subsection.

23 (d) Notwithstanding subsections (a) through (c-5) ~~(e)~~ of  
24 this Section, a license as a public adjuster shall not be  
25 required of the following:

26 (1) an attorney admitted to practice in this State,

1 when acting in his or her professional capacity as an  
2 attorney;

3 (2) a person who negotiates or settles claims arising  
4 under a life or health insurance policy or an annuity  
5 contract;

6 (3) a person employed only for the purpose of  
7 obtaining facts surrounding a loss or furnishing technical  
8 assistance to a licensed public adjuster, including  
9 photographers, estimators, private investigators,  
10 engineers, and handwriting experts;

11 (4) a licensed health care provider, or employee of a  
12 licensed health care provider, who prepares or files a  
13 health claim form on behalf of a patient; or

14 (5) a person who settles subrogation claims between  
15 insurers.

16 (e) All contracts entered into that are in violation of  
17 this Section are void and invalid.

18 (Source: P.A. 103-216, eff. 1-1-24.)