



## 104TH GENERAL ASSEMBLY

### State of Illinois

2025 and 2026

HB5138

Introduced 2/10/2026, by Rep. Kevin John Olickal

#### SYNOPSIS AS INTRODUCED:

215 ILCS 5/132.3a new  
215 ILCS 5/1204.5 new

Amends the Illinois Insurance Code. Requires the Director of Insurance to examine and investigate the affairs of any company to determine whether the company has been or is engaged in any rate setting that is excessive, inadequate, or unfairly discriminatory regarding affordable housing developments. Requires the Director to submit a report concerning aggregated housing insurance market statistics for the prior calendar year on or before October 1 of each year to the Governor and the General Assembly that shall be posted on the publicly accessible websites of both the Governor and the General Assembly. Provides that submissions that constitute trade secrets or sensitive commercial information are confidential under the Freedom of Information Act. Requires the Department of Insurance to consult with excess line and Illinois property insurance underwriting associations regarding reporting formats that capture excess-line placements and assigned-risk activity without identifying individual insureds. Grants the Department authority to adopt rules or circular letters, harmonize data standards with the National Association of Insurance Commissioners and other states, limit the burden on small insurers, and ensure data quality. Effective immediately.

LRB104 18175 BAB 31614 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 Insurance Code is amended by  
5 adding Sections 132.3a and 1204.5 as follows:

6 (215 ILCS 5/132.3a new)

7 Sec. 132.3a. Power of the Director; affordable housing  
8 coverage. The Director shall examine and investigate the  
9 affairs of any company to determine whether the company has  
10 been or is engaged in any rate setting that is excessive,  
11 inadequate, or unfairly discriminatory regarding affordable  
12 housing developments as defined in Section 15 of the  
13 Affordable Housing Planning and Appeal Act. The examination  
14 and investigatory powers of the Director include any data  
15 calls and desk examinations to determine if different rates  
16 result for policyholders after any price differentials fail to  
17 reflect the difference in expected losses and expenses. The  
18 Director shall investigate whether policyholders who are  
19 owners of affordable housing developments as defined in  
20 Section 15 of the Affordable Housing Planning and Appeal Act  
21 are being subject to unfairly discriminatory rates as compared  
22 with similar types of market rate housing in Illinois.

1 (215 ILCS 5/1204.5 new)

2 Sec. 1204.5. Report on the housing insurance market for  
3 affordable rental housing.

4 (a) Definitions. In this Section:

5 "Affordable housing development" means a residential  
6 building with leased units required to be affordable by  
7 statute, regulation, regulatory agreement, or recorded  
8 covenant.

9 "Excess line insurance" has the meaning given to "surplus  
10 line insurance" in Sections 445, 445a, and 445.1 of this Code.

11 "Insurer" means an authorized insurer writing property or  
12 liability coverage on residential buildings and includes  
13 reporting by excess line placements through the Surplus Line  
14 Association of Illinois as provided by rule.

15 "Multifamily residential building" means a property  
16 containing 5 or more dwelling units.

17 "Nonprofit housing provider" means an organization  
18 described by Section 501(c)(3) of the United States Internal  
19 Revenue Code or an entity formed under the General Not For  
20 Profit Corporation Act of 1986 that constructs, owns, or  
21 operates residential housing in Illinois.

22 (b) Annual report.

23 (1) The Director shall submit a report detailed in  
24 subsection (c) on or before October 1 of each year to the  
25 Governor and the General Assembly that shall be posted on  
26 the publicly accessible websites of both the Governor and

1 the General Assembly.

2 (2) The report shall analyze the availability,  
3 pricing, terms, and affordability of property and  
4 liability insurance for multifamily residential buildings  
5 owned or operated by nonprofit and mission-driven  
6 entities, including affordable housing developments.

7 (3) The report shall include statewide and regional  
8 results, with the City of Chicago reported separately from  
9 the rest of the State.

10 (c) Required contents. The report shall present, at a  
11 minimum, aggregated statistics for the prior calendar year on:

12 (1) Premium levels and changes, including the average  
13 and median premium per unit and square foot and premium as  
14 a share of operating expenses.

15 (2) Coverage availability and market channel,  
16 including nonrenewal and declination counts, the share  
17 placed in the excess line market, and use of the Illinois  
18 property insurance underwriting association.

19 (3) Deductibles by peril and trend.

20 (4) Common exclusions and limitations, including new  
21 or expanded exclusions introduced in the reporting year.

22 (5) Coverage limits relative to reported replacement  
23 cost.

24 (6) Claims frequency and severity for fire, water,  
25 wind, and liability, to the extent available.

26 (7) Risk-mitigation credits and building resiliency

1 investments reported by owners and recognized by insurers.

2 (8) Regional heat-map summaries of market stress using  
3 the methodology set by the Department by bulletin or  
4 circular letter. The Department may align with the  
5 National Association of Insurance Commissioners' market  
6 intelligence data elements.

7 (d) Data collection and confidentiality.

8 (1) Submissions that constitute trade secrets or  
9 sensitive commercial information are confidential under  
10 the Freedom of Information Act. The published report shall  
11 contain only aggregated, de-identified statistics and  
12 analyses.

13 (2) The Department shall consult with excess line and  
14 Illinois property insurance underwriting associations  
15 regarding reporting formats that capture excess-line  
16 placements and assigned-risk activity without identifying  
17 individual insureds.

18 (e) Rulemaking. The Department may adopt rules or circular  
19 letters to implement this Section, harmonize data standards  
20 with the National Association of Insurance Commissioners and  
21 other states, limit the burden on small insurers, and ensure  
22 data quality.

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