

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 changing Sections 143.16 and 143.17 and by adding Section  
6 143.21e and Article XLVIII as follows:

7 (215 ILCS 5/143.16) (from Ch. 73, par. 755.16)

8 Sec. 143.16. Mailing of cancellation notice. All notices  
9 of cancellation of insurance to which Section 143.11 applies,  
10 ~~except for those defined in subsections (a), (b) and (c) of~~  
11 ~~Section 143.13~~ must be mailed at least 30 days prior to the  
12 effective date of cancellation during the first 60 days of  
13 coverage. After the coverage has been effective for 61 days or  
14 more, all notices must be mailed at least 60 days prior to the  
15 effective date of cancellation. However, where cancellation is  
16 for nonpayment of premium, the notice of cancellation must be  
17 mailed at least 10 days before the effective date of the  
18 cancellation. All such notices shall include a specific  
19 explanation of the reason or reasons for cancellation and  
20 shall be mailed to the named insured at the last mailing  
21 address known to the company. For purposes of this Section,  
22 the mortgagee or lien holder, if known, may opt to accept  
23 notification electronically.

1 (Source: P.A. 100-475, eff. 1-1-18.)

2 (215 ILCS 5/143.17) (from Ch. 73, par. 755.17)

3 Sec. 143.17. Notice of intention not to renew.

4 a. No company shall fail to renew any policy of insurance,  
5 as defined in subsections (a), (b), (c), and (h) of Section  
6 143.13, to which Section 143.11 applies, unless it shall send  
7 by mail to the named insured at least 60 ~~30~~ days advance notice  
8 of its intention not to renew. The company shall maintain  
9 proof of mailing of such notice on a recognized U.S. Post  
10 Office form or a form acceptable to the U. S. Post Office or  
11 other commercial mail delivery service. The nonrenewal shall  
12 not become effective until at least 60 ~~30~~ days from the proof  
13 of mailing date of the notice to the name insured.  
14 Notification shall also be sent to the insured's broker, if  
15 known, or the agent of record, if known, and to the last known  
16 mortgagee or lien holder. For purposes of this Section, the  
17 mortgagee or lien holder, insured's broker, or the agent of  
18 record may opt to accept notification electronically. However,  
19 where cancellation is for nonpayment of premium, the notice of  
20 cancellation must be mailed at least 10 days before the  
21 effective date of the cancellation.

22 b. This Section does not apply if the company has  
23 manifested its willingness to renew directly to the named  
24 insured. Such written notice shall specify the premium amount  
25 payable, including any premium payment plan available, and the

1 name of any person or persons, if any, authorized to receive  
2 payment on behalf of the company. If no person is so  
3 authorized, the premium notice shall so state.

4 b-5. This Section does not apply if the company manifested  
5 its willingness to renew directly to the named insured.  
6 However, no company may impose changes in deductibles or  
7 coverage for any policy forms applicable to an entire line of  
8 business enumerated in subsections (a), (b), (c), and (h) of  
9 Section 143.13 to which Section 143.11 applies unless the  
10 company mails to the named insured written notice of the  
11 change in deductible or coverage at least 60 days prior to the  
12 renewal or anniversary date. Notice shall also be sent to the  
13 insured's broker, if known, or the agent of record.

14 c. Should a company fail to comply with (a) or (b) of this  
15 Section, the policy shall terminate only on the effective date  
16 of any similar insurance procured by the insured with respect  
17 to the same subject or location designated in both policies.

18 d. Renewal of a policy does not constitute a waiver or  
19 estoppel with respect to grounds for cancellation which  
20 existed before the effective date of such renewal.

21 e. In all notices of intention not to renew any policy of  
22 insurance, as defined in Section 143.11 the company shall  
23 provide the named insured a specific explanation of the  
24 reasons for nonrenewal.

25 f. For purposes of this Section, the insured's broker, if  
26 known, or the agent of record and the mortgagee or lien holder

1 may opt to accept notification electronically.

2 (Source: P.A. 100-475, eff. 1-1-18.)

3 (215 ILCS 5/143.21e new)

4 Sec. 143.21e. Flood coverage; notice.

5 (a) Each insurer that delivers, issues for delivery, or  
6 renews in this State a policy of fire and extended coverage  
7 that does not provide coverage for loss caused by flood shall  
8 provide to the insured a notice prescribed by the Director  
9 that explains clearly, conspicuously, and in plain language:

10 (1) the policy does not provide coverage for loss  
11 caused by flood;

12 (2) whether coverage for loss caused by flood is  
13 available to the applicant through the company; and

14 (3) the availability of coverage for loss caused by  
15 flood through the National Flood Insurance Program,  
16 whether the company can write such coverage, and how to  
17 obtain coverage through the National Flood Insurance  
18 Program.

19 (b) At the time of policy issuance, the company must  
20 obtain a written signature from the insured affirming the  
21 flood coverage options were presented to the applicant in  
22 plain language and that the applicant is declining coverage  
23 for loss caused by flood, if available through the company.

24 (215 ILCS 5/Art. XLVIII heading new)

1                   ARTICLE XLVIII. CLIMATE RISK DISCLOSURE

2                   (215 ILCS 5/1801 new)

3                   Sec. 1801. Short title. This Article may be referred to as  
4 the Climate Risk Disclosure Law.

5                   (215 ILCS 5/1805 new)

6                   Sec. 1805. Purpose. The purpose of this Article is to  
7 enhance transparency about how insurers manage climate-related  
8 risks and to clarify the Department's authority to require  
9 companies to participate in the National Association of  
10 Insurance Commissioners' Climate Risk Disclosure Survey.

11                   (215 ILCS 5/1810 new)

12                   Sec. 1810. Applicability. This Article applies to every  
13 company licensed in Illinois under Classes 1, 2, or 3 of  
14 Section 4 of this Code and every dental service plan  
15 corporation, health maintenance organization, or limited  
16 health service organization licensed in Illinois when such  
17 company, corporation, or organization writes \$100,000,000 or  
18 more annually in direct premiums nationwide. This threshold  
19 may be altered by rule.

20                   (215 ILCS 5/1815 new)

21                   Sec. 1815. Climate disclosure survey participation. All  
22 companies, corporations, and organizations subject to this

1 Article shall, upon direction from the Department, participate  
2 in the National Association of Insurance Commissioners'  
3 Climate Risk Disclosure Survey, or any successor process  
4 coordinated through the National Association of Insurance  
5 Commissioners.

6 Section 99. Effective date. This Act takes effect upon  
7 becoming law, except that Section 143.21e of the Illinois  
8 Insurance Code and the changes made to Sections 143.16 and  
9 143.17 of the Illinois Insurance Code take effect January 1,  
10 2027.

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1 215 ILCS 130/4003

from Ch. 73, par. 1504-3