



Rep. Thaddeus Jones

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10300HB4611ham002

LRB103 37111 RPS 71454 a

1 AMENDMENT TO HOUSE BILL 4611

2 AMENDMENT NO. _____. Amend House Bill 4611 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Insurance Code is amended by
5 adding Sections 143.19.4 and 417 as follows:

6 (215 ILCS 5/143.19.4 new)

7 Sec. 143.19.4. Standards applicable to vehicle insurance
8 rates.

9 (a) The following standards apply to insurance on risks
10 described in Class 2(b) and Class 3(e) of Section 4:

11 (1) An insurer shall use methods based on sound
12 actuarial principles to calculate its rates.

13 (2) A rate may not be excessive, inadequate, or
14 unfairly discriminatory.

15 (3) A rate is excessive if it is likely to produce a
16 profit that is unreasonably high for the insurance

1 provided. A rate in a competitive market is not considered
2 excessive.

3 (4) A rate is not inadequate unless such rate is
4 insufficient to sustain projected losses and expenses in
5 the class of business to which it applies or the use of
6 such rate has or, if continued, will endanger the solvency
7 of the insurer using it or have the effect of
8 substantially lessening competition or the tendency to
9 create a monopoly in any market.

10 (5) Unfair discrimination exists if, after allowing
11 for practical limitations, price differentials fail to
12 reflect equitably the differences in expected losses and
13 expenses. A rate is not unfairly discriminatory because
14 different premiums result for policyholders with like loss
15 exposures but different expenses, or like expenses but
16 different loss exposures, so long as the rate reflects the
17 differences with reasonable accuracy.

18 (b) With respect to rating for policies described in Class
19 2(b) and Class 3(e) of Section 4, the use of the following
20 factors are prohibited:

21 (1) Race.

22 (2) Color.

23 (3) Religion.

24 (4) National origin.

25 (5) Physical disability, as that term is defined in
26 Section 143.24a.

1 (215 ILCS 5/417 new)

2 Sec. 417. The Automobile Insurance Affordability and
3 Availability Task Force.

4 (a) The Auto Insurance Affordability and Availability Task
5 Force is created to direct a study of Illinois' automobile
6 insurance marketplace and regulatory environment and their
7 impacts on overall availability and affordability of
8 automobile insurance. The Task Force shall, at a minimum,
9 consider the following issues and may make recommendations to
10 address any findings:

11 (1) national trends and data on availability and
12 affordability of automobile insurance in Illinois and
13 other jurisdictions;

14 (2) rate approval regimes in other jurisdictions,
15 including their relative impact on affordability and
16 availability, time and cost efficiency for regulators and
17 taxpayers, and expected impact on residual markets;

18 (3) inflationary pressures on insurance affordability,
19 including, but not limited to, the cost of vehicle parts,
20 vehicle repair labor, and medical costs;

21 (4) driving behavior patterns as well as driving under
22 the influence of alcohol, speeding, distracted driving,
23 red light enforcement, and enforcement trends, including,
24 but not limited to, the analysis and recommendations
25 identified in the 2024 Road Map to Safety by Advocates for

1 Highway and Auto Safety; and

2 (5) automobile-related tort and litigation trends,
3 including, but not limited to, the effect of assignments
4 of benefits.

5 (b) With respect to consumer education, the Task Force
6 shall review, assess, develop, and make available to consumers
7 educational materials based on the publications (i) Regulatory
8 Resources for Consumers on Personal Lines Pricing and (ii)
9 Underwriting and Consumers Guide to Auto Insurance, both
10 published by the National Association of Insurance
11 Commissioners.

12 (c) The Director of Insurance or the Director's designee
13 shall serve as the Chair of the Task Force.

14 (d) The Task Force shall include:

15 (1) the Secretary of State or the Secretary's
16 designee;

17 (2) the Secretary of Transportation or the Secretary's
18 designee; and

19 (3) one member of the Senate appointed by the
20 President of the Senate, one member of the Senate
21 appointed by the Senate Minority Leader, one member of the
22 House of Representatives appointed by the Speaker of the
23 House of Representatives, and one member of the House of
24 Representatives appointed by the Minority Leader of the
25 House of Representatives, all appointed on or before
26 December 31, 2024.

1 (e) The Governor shall appoint the following individuals
2 to the Task Force on or before December 31, 2024:

3 (1) one representative from a nonprofit consumer
4 organization that serves to protect the interests of
5 Illinois consumers as it relates to the regulation of
6 insurance;

7 (2) one representative from an organization
8 representing the interests of minority populations or
9 economically disadvantaged populations, or both;

10 (3) one representative from a trade organization
11 representing the insurance industry in Illinois;

12 (4) one representative from a national trade
13 organization representing property and casualty insurers;

14 (5) one representative from a national trade
15 organization representing mutual insurance companies;

16 (6) one representative from a national trade
17 association representing insurance compliance
18 professionals; and

19 (7) one representative from a trade organization
20 representing insurance agents.

21 (f) Subject to appropriation, the Office of Risk
22 Management and Insurance Research at the University of
23 Illinois shall provide technical support and guidance to the
24 Task Force on matters of insurance marketplace analysis,
25 including conducting market studies as requested by the Task
26 Force.

1 (g) A majority of the voting members of the Task Force
2 constitutes a quorum for the transacting of business. Official
3 action by the Task Force requires the approval of a majority of
4 the members of the Task Force.

5 (h) The Task Force shall conclude its business on or
6 before July 1, 2027. The Task Force may issue a report to the
7 General Assembly detailing its findings.

8 (i) The Task Force is dissolved, and this Section is
9 repealed, and on July 1, 2028.

10 Section 10. The Illinois Vehicle Code is amended by
11 changing Section 7-606 as follows:

12 (625 ILCS 5/7-606) (from Ch. 95 1/2, par. 7-606)

13 Sec. 7-606. Uninsured motor vehicles; suspension ~~vehicles~~
14 ~~suspension~~ and reinstatement. The Secretary shall suspend
15 the vehicle registration of any motor vehicle determined by
16 the Secretary to be in violation of Section 7-601 of this Code,
17 including any motor vehicle operated in violation of Section
18 3-707, 3-708 or 3-710 of this Code by an operator other than
19 the owner of the vehicle. Neither the fact that, subsequent to
20 the date of verification or conviction, the owner acquired the
21 required liability insurance policy nor the fact that the
22 owner terminated ownership of the motor vehicle shall have any
23 bearing upon the Secretary's decision to suspend.

24 The Secretary is authorized to suspend the registration of

1 any motor vehicle registered in this State upon receiving
2 notice of the conviction of the operator of the motor vehicle
3 in another State of an offense which, if committed in this
4 State, would constitute a violation of Section 7-601 of this
5 Code.

6 Until it is terminated, the suspension shall remain in
7 force after the registration is renewed or a new registration
8 is acquired for the motor vehicle. The suspension also shall
9 apply to any motor vehicle to which the owner transfers the
10 registration.

11 In the case of a first violation, the Secretary shall
12 terminate the suspension upon payment by the owner of a
13 reinstatement fee of \$100 and submission of proof of insurance
14 as prescribed by the Secretary.

15 In the case of a second or subsequent violation by a person
16 having ownership interest in a motor vehicle or vehicles
17 within the preceding 4 years, or a violation of Section 3-708
18 of this Code, the Secretary shall terminate the suspension 4
19 months after its effective date upon payment by the owner of a
20 reinstatement fee of \$100 and submission of proof of insurance
21 as prescribed by the Secretary.

22 Upon a verified demonstration of financial need by the
23 owner, the Secretary may waive a reinstatement fee under this
24 Section.

25 All fees collected under this Section shall be disbursed
26 under subsection (g) of Section 2-119 of this Code.

1 (Source: P.A. 99-127, eff. 1-1-16.)

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