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LRB096 19085 RPM 38463 a

1 AMENDMENT TO HOUSE BILL 5685

2 AMENDMENT NO. _____. Amend House Bill 5685 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Counties Code is amended by adding Section
5 3-5048 as follows:

6 (55 ILCS 5/3-5048 new)

7 Sec. 3-5048. Mine subsidence claims; title search. Every
8 recorder must accept notice of a payment of a claim for mine
9 subsidence insurance and file this information in a way that
10 allows it to be accessed in a title search of the property.

11 Section 10. The Illinois Insurance Code is amended by
12 changing Section 805.1 as follows:

13 (215 ILCS 5/805.1)

14 Sec. 805.1. Mine Subsidence Coverage.

1 (a) Beginning January 1, 1994, every policy issued or
2 renewed insuring a residence on a direct basis shall include,
3 at a separately stated premium, residential coverage unless
4 waived in writing by the insured. Beginning January 1, 1994,
5 every policy issued or renewed insuring a commercial building
6 on a direct basis shall include at a separately stated premium,
7 commercial coverage unless waived in writing by the insured.
8 Beginning January 1, 1994, every policy issued or renewed
9 insuring a living unit on a direct basis shall include, at a
10 separately stated premium, living unit coverage unless waived
11 in writing by the insured.

12 (b) If the insured has previously waived mine subsidence
13 coverage in writing, the insurer or agent need not offer mine
14 subsidence coverage in any renewal or supplementary policy in
15 connection with a policy previously issued to such insured by
16 the same insurer, unless the insured subsequently makes a
17 written request for mine subsidence coverage.

18 (c) The premium charged for residential, commercial or
19 living unit coverage shall be the premium level set by the
20 Fund. The loss covered shall be the loss in excess of the
21 deductible or retention established by the Fund and contained
22 in a mine subsidence endorsement to the policy. For all
23 policies issued or renewed on or after January 1, 2008, the
24 reinsured loss per residence, per commercial building, and per
25 living unit shall be the amounts established by the Fund and
26 approved by the Director. For all policies issued or renewed on

1 or after January 1, 1996, the amount of reinsurance available
2 from the Fund shall not be less than \$200,000 per residence,
3 \$200,000 per commercial building, or \$15,000 per living unit.
4 The Fund may, from time to time, adjust the amount of
5 reinsurance available as long as the minimum set by this
6 Section is met.

7 (d) The residential coverage provided pursuant to this
8 Article may also cover the additional living expenses
9 reasonably and necessarily incurred by the owner of a residence
10 who has been temporarily displaced as the direct result of
11 damage to the residence caused by mine subsidence if the
12 underlying policy also covers this type of loss, provided
13 however, that the loss covered under living unit coverage shall
14 be limited to losses to improvements and betterments, and
15 reimbursement of additional living expenses and assessments
16 made against the insured on account of mine subsidence loss.

17 (e) The total amount of the loss reimbursable to an insurer
18 shall be limited to the amount of insurance reinsured by the
19 Fund in force at the time when the damage first becomes
20 reasonably observable. All damage caused by a single mine
21 subsidence event or several subsidence events which are
22 continuous shall constitute one occurrence.

23 (f) No insurer shall be required to offer mine subsidence
24 coverage in excess of the reinsured limits.

25 (g) If an insurer pays a claim to an insured for mine
26 subsidence, the insurer must file notice of that claim with the

1 recorder of the county where the insured's property is located.
2 The notice document shall be subject to the fees and real
3 estate document recording standards contained in Section
4 3-5018 of the Counties Code.

5 (Source: P.A. 95-92, eff. 1-1-08; 95-334, eff. 1-1-08.)".