



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB4096

by Rep. Maria Antonia Berrios

SYNOPSIS AS INTRODUCED:

215 ILCS 5/155.44 new
215 ILCS 5/424

from Ch. 73, par. 1031

Amends the Illinois Insurance Code. Provides that an insurer issuing a policy of automobile liability insurance listing a driver as insured shall not deny coverage to that driver for the sole reason that he or she lacks a valid drivers license, provided that such person was identified on the application for the policy as an unlicensed driver. Provides that advertising or otherwise promoting the sale or solicitation of a policy of automobile insurance that includes a statement that a valid driver's license is not required in order to obtain automobile insurance, followed by the denial of coverage based on the lack of a valid driver's license when a claim is made on such policy of automobile insurance is defined as an unfair method of competition and unfair and deceptive act or practice in the business of insurance. Effective immediately.

LRB097 16758 RPM 61933 b

1 AN ACT concerning insurance.

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 adding
5 Section 155.44 and changing Section 424 as follows:

6 (215 ILCS 5/155.44 new)

7 Sec. 155.44. Automobile insurance; denial of coverage to
8 unlicensed drivers. An insurer issuing a policy of automobile
9 liability insurance listing a driver as insured shall not deny
10 coverage to that driver for the sole reason that he or she
11 lacks a valid drivers license, provided that such person was
12 identified on the application for the policy as an unlicensed
13 driver. However, nothing in this Section shall prohibit an
14 insurer from requesting or enforcing a named driver exclusion
15 with respect to an unlicensed driver.

16 (215 ILCS 5/424) (from Ch. 73, par. 1031)

17 Sec. 424. Unfair methods of competition and unfair or
18 deceptive acts or practices defined. The following are hereby
19 defined as unfair methods of competition and unfair and
20 deceptive acts or practices in the business of insurance:

21 (1) The commission by any person of any one or more of the
22 acts defined or prohibited by Sections 134, 143.24c, 147, 148,

1 149, 151, 155.22, 155.22a, 155.42, 236, 237, 364, and 469 of
2 this Code.

3 (2) Entering into any agreement to commit, or by any
4 concerted action committing, any act of boycott, coercion or
5 intimidation resulting in or tending to result in unreasonable
6 restraint of, or monopoly in, the business of insurance.

7 (3) Making or permitting, in the case of insurance of the
8 types enumerated in Classes 1, 2, and 3 of Section 4, any
9 unfair discrimination between individuals or risks of the same
10 class or of essentially the same hazard and expense element
11 because of the race, color, religion, or national origin of
12 such insurance risks or applicants. The application of this
13 Article to the types of insurance enumerated in Class 1 of
14 Section 4 shall in no way limit, reduce, or impair the
15 protections and remedies already provided for by Sections 236
16 and 364 of this Code or any other provision of this Code.

17 (4) Engaging in any of the acts or practices defined in or
18 prohibited by Sections 154.5 through 154.8 of this Code.

19 (5) Making or charging any rate for insurance against
20 losses arising from the use or ownership of a motor vehicle
21 which requires a higher premium of any person by reason of his
22 physical handicap, race, color, religion, or national origin.

23 (6) Advertising or otherwise promoting the sale or
24 solicitation of a policy of automobile insurance that includes
25 a statement that a valid driver's license is not required in
26 order to obtain automobile insurance, followed by the denial of

1 coverage based on the lack of a valid driver's license when a
2 claim is made on such policy of automobile insurance.

3 (Source: P.A. 97-527, eff. 8-23-11.)

4 Section 99. Effective date. This Act takes effect upon
5 becoming law.