



Sen. William R. Haine

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09800HB2618sam003

LRB098 09390 RPM 46197 a

1 AMENDMENT TO HOUSE BILL 2618

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 2618, AS AMENDED, by  
3 replacing everything after the enacting clause with the  
4 following:

5 "Section 5. The Illinois Insurance Code is amended by  
6 changing Section 805.1 as follows:

7 (215 ILCS 5/805.1)

8 Sec. 805.1. Mine Subsidence Coverage.

9 (a) Beginning January 1, 1994, every policy issued or  
10 renewed insuring a residence on a direct basis shall include,  
11 at a separately stated premium, residential coverage unless  
12 waived in writing by the insured. Beginning January 1, 1994,  
13 every policy issued or renewed insuring a commercial building  
14 on a direct basis shall include at a separately stated premium,  
15 commercial coverage unless waived in writing by the insured.  
16 Beginning January 1, 1994, every policy issued or renewed

1 insuring a living unit on a direct basis shall include, at a  
2 separately stated premium, living unit coverage unless waived  
3 in writing by the insured.

4 (b) If the insured has previously waived mine subsidence  
5 coverage in writing, the insurer or agent need not offer mine  
6 subsidence coverage in any renewal or supplementary policy in  
7 connection with a policy previously issued to such insured by  
8 the same insurer, unless the insured subsequently makes a  
9 written request for mine subsidence coverage.

10 (c) The premium charged for residential, commercial or  
11 living unit coverage shall be the premium level set by the  
12 Fund. The loss covered shall be the loss in excess of the  
13 deductible or retention established by the Fund and contained  
14 in a mine subsidence endorsement to the policy. For all  
15 policies issued or renewed on or after January 1, 2008, the  
16 reinsured loss per residence, per commercial building, and per  
17 living unit shall be the amounts established by the Fund and  
18 approved by the Director. For all policies issued or renewed on  
19 or after January 1, 1996, the amount of reinsurance available  
20 from the Fund shall not be less than \$200,000 per residence,  
21 \$200,000 per commercial building, or \$15,000 per living unit.  
22 The Fund may, from time to time, adjust the amount of  
23 reinsurance available as long as the minimum set by this  
24 Section is met.

25 (d) The residential coverage provided pursuant to this  
26 Article may also cover the additional living expenses

1 reasonably and necessarily incurred by the owner of a residence  
2 who has been temporarily displaced as the direct result of  
3 damage to the residence caused by mine subsidence if the  
4 underlying policy also covers this type of loss, provided  
5 however, that the loss covered under living unit coverage shall  
6 be limited to losses to improvements and betterments, and  
7 reimbursement of additional living expenses and assessments  
8 made against the insured on account of mine subsidence loss.

9 (e) The total amount of the loss reimbursable to an insurer  
10 shall be limited to the amount of insurance reinsured by the  
11 Fund in force at the time when the damage first becomes  
12 reasonably observable. All damage caused by a single mine  
13 subsidence event or several subsidence events which are  
14 continuous shall constitute one occurrence. As set forth in  
15 subsections (a) and (c) of this Section, a policy issued or  
16 renewed must provide coverage, unless waived in writing by the  
17 insured, and the insurer must continue to charge the premium  
18 level set for that coverage by the Fund. If mine subsidence  
19 coverage is in force when the mine subsidence damage first  
20 becomes reasonably observable, then the insurer shall notify  
21 the insured making the mine subsidence claim that continuation  
22 of that coverage thereafter may not be necessary and is  
23 optional, but that continued coverage shall terminate only upon  
24 written waiver by the insured. This notification shall be made  
25 within 60 days after the insurer receives written confirmation  
26 from the Fund that the cause of loss is active mine subsidence.

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

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