



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

SB3015

Introduced 2/7/2014, by Sen. Iris Y. Martinez

SYNOPSIS AS INTRODUCED:

215 ILCS 5/154.8

from Ch. 73, par. 766.8

Amends the Illinois Insurance Code. Provides that if, after a hearing pursuant to the Code, the Director of Insurance finds that a company has engaged in an improper claims practice, the Director shall order the company to cease and desist from such practices and, in the exercise of reasonable discretion, may suspend the company's certificate of authority for a period not to exceed 6 months or impose a civil penalty of up to \$375,000 (rather than \$250,000), or both.

LRB098 17342 RPM 52438 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

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 Section 154.8 as follows:

6 (215 ILCS 5/154.8) (from Ch. 73, par. 766.8)

7 Sec. 154.8. Cease and Desist Order - Suspension of
8 Certificate - Civil penalty - Judicial Review.✝

9 (1) If after a hearing pursuant to Section 154.7 the
10 Director finds that company has engaged in an improper claims
11 practice, he shall order such company to cease and desist from
12 such practices and, in the exercise of reasonable discretion,
13 may suspend the company's certificate of authority for a period
14 not to exceed 6 months or impose a civil penalty of up to
15 \$375,000 ~~\$250,000~~, or both. Pursuant to Section 401, the
16 Director shall promulgate reasonable rules and regulations
17 establishing standards for the implementation of this Section.

18 (2) Any order of the Director pursuant to this Section is
19 subject to judicial review under Section 407 of this Code.

20 (Source: P.A. 86-846.)