

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 500-100 as follows:

6 (215 ILCS 5/500-100)

7 (Text of Section before amendment by P.A. 98-1165)

8 (Section scheduled to be repealed on January 1, 2017)

9 Sec. 500-100. Limited lines producer license.

10 (a) An individual who is at least 18 years of age and whom
11 the Director considers to be competent, trustworthy, and of
12 good business reputation may obtain a limited lines producer
13 license for one or more of the following classes:

14 (1) insurance on baggage or limited travel health,
15 accident, or trip cancellation insurance sold in
16 connection with transportation provided by a common
17 carrier;

18 (2) industrial life insurance, as defined in Section
19 228 of this Code;

20 (3) industrial accident and health insurance, as
21 defined in Section 368 of this Code;

22 (4) insurance issued by a company organized under the
23 Farm Mutual Insurance Company Act of 1986;

1 (5) legal expense insurance;

2 (6) enrollment of recipients of public aid or medicare
3 in a health maintenance organization;

4 (7) a limited health care plan issued by an
5 organization having a certificate of authority under the
6 Limited Health Service Organization Act;

7 (8) credit life and credit accident and health
8 insurance and other credit insurance policies approved or
9 permitted by the Director; a credit insurance company must
10 conduct a training program in which an applicant shall
11 receive basic instruction about the credit insurance
12 products that he or she will be selling.

13 (b) The application for a limited lines producer license
14 must be submitted on a form prescribed by the Director by a
15 designee of the insurance company, health maintenance
16 organization, or limited health service organization
17 appointing the limited insurance representative. The insurance
18 company, health maintenance organization, or limited health
19 service organization must pay the fee required by Section
20 500-135.

21 (c) A limited lines producer may represent more than one
22 insurance company, health maintenance organization, or limited
23 health service organization.

24 (d) An applicant who has met the requirements of this
25 Section shall be issued a perpetual limited lines producer
26 license.

1 (e) A limited lines producer license shall remain in effect
2 as long as the appointing insurance company pays the respective
3 fee required by Section 500-135 prior to January 1 of each
4 year, unless the license is revoked or suspended pursuant to
5 Section 500-70. Failure of the insurance company to pay the
6 license fee or to submit the required documents shall cause
7 immediate termination of the limited line insurance producer
8 license with respect to which the failure occurs.

9 (f) A limited lines producer license may be terminated by
10 the insurance company or the licensee.

11 (g) A person whom the Director considers to be competent,
12 trustworthy, and of good business reputation may be issued a
13 car rental limited line license. A car rental limited line
14 license for a rental company shall remain in effect as long as
15 the car rental limited line licensee pays the respective fee
16 required by Section 500-135 prior to the next fee date unless
17 the car rental license is revoked or suspended pursuant to
18 Section 500-70. Failure of the car rental limited line licensee
19 to pay the license fee or to submit the required documents
20 shall cause immediate suspension of the car rental limited line
21 license. A car rental limited line license for rental companies
22 may be voluntarily terminated by the car rental limited line
23 licensee. The license fee shall not be refunded upon
24 termination of the car rental limited line license by the car
25 rental limited line licensee.

26 (g-5) A business entity may be issued a limited lines

1 producer license for credit life and credit accident and health
2 insurance and other credit insurance policies approved or
3 permitted by the Director, provided that:

4 (1) application for the limited lines producer license
5 for credit insurance is made on a form specified by the
6 Director;

7 (2) the appointing insurance company has paid the
8 application fee amount required by the Director for the
9 business entity's application; and

10 (3) the business entity has designated an individual
11 with an in force limited license producer license issued
12 under paragraph (8) of subsection (a) of this Section to be
13 responsible for the business entity's compliance with the
14 insurance laws and regulations of this State related to
15 credit life and credit accident and health insurance and
16 other credit insurance policies approved or permitted by
17 the Director that are offered or sold by that business
18 entity.

19 Except as specifically authorized by paragraph (8) of
20 subsection (a) of this Section or this subsection (g-5), a
21 business entity holding a limited lines license under this
22 subsection (g-5) may not advertise, represent, or otherwise
23 hold itself or any of its employees out as licensed insurers,
24 insurance producers, insurance agents, or insurance brokers.

25 (h) A limited lines producer issued a license pursuant to
26 this Section is not subject to the requirements of Section

1 500-30.

2 (i) A limited lines producer license must contain the name,
3 address and personal identification number of the licensee, the
4 date the license was issued, general conditions relative to the
5 license's expiration or termination, and any other information
6 the Director considers proper. A limited line producer license,
7 if applicable, must also contain the name and address of the
8 appointing insurance company.

9 (Source: P.A. 98-159, eff. 8-2-13; 98-756, eff. 7-16-14.)

10 (Text of Section after amendment by P.A. 98-1165)

11 (Section scheduled to be repealed on January 1, 2017)

12 Sec. 500-100. Limited lines producer license.

13 (a) An individual who is at least 18 years of age and whom
14 the Director considers to be competent, trustworthy, and of
15 good business reputation may obtain a limited lines producer
16 license for one or more of the following classes:

17 (1) travel insurance, as defined in Section 500-10 of
18 this Article;

19 (2) industrial life insurance, as defined in Section
20 228 of this Code;

21 (3) industrial accident and health insurance, as
22 defined in Section 368 of this Code;

23 (4) insurance issued by a company organized under the
24 Farm Mutual Insurance Company Act of 1986;

25 (5) legal expense insurance;

1 (6) enrollment of recipients of public aid or medicare
2 in a health maintenance organization;

3 (7) a limited health care plan issued by an
4 organization having a certificate of authority under the
5 Limited Health Service Organization Act;

6 (8) credit life and credit accident and health
7 insurance and other credit insurance policies approved or
8 permitted by the Director; a credit insurance company must
9 conduct a training program in which an applicant shall
10 receive basic instruction about the credit insurance
11 products that he or she will be selling.

12 (b) The application for a limited lines producer license
13 must be submitted on a form prescribed by the Director by a
14 designee of the insurance company, health maintenance
15 organization, or limited health service organization
16 appointing the limited insurance representative. The insurance
17 company, health maintenance organization, or limited health
18 service organization must pay the fee required by Section
19 500-135.

20 (c) A limited lines producer may represent more than one
21 insurance company, health maintenance organization, or limited
22 health service organization.

23 (d) An applicant who has met the requirements of this
24 Section shall be issued a perpetual limited lines producer
25 license.

26 (e) A limited lines producer license shall remain in effect

1 as long as the appointing insurance company pays the respective
2 fee required by Section 500-135 prior to January 1 of each
3 year, unless the license is revoked or suspended pursuant to
4 Section 500-70. Failure of the insurance company to pay the
5 license fee or to submit the required documents shall cause
6 immediate termination of the limited line insurance producer
7 license with respect to which the failure occurs.

8 (f) A limited lines producer license may be terminated by
9 the insurance company or the licensee.

10 (g) A person whom the Director considers to be competent,
11 trustworthy, and of good business reputation may be issued a
12 car rental limited line license. A car rental limited line
13 license for a rental company shall remain in effect as long as
14 the car rental limited line licensee pays the respective fee
15 required by Section 500-135 prior to the next fee date unless
16 the car rental license is revoked or suspended pursuant to
17 Section 500-70. Failure of the car rental limited line licensee
18 to pay the license fee or to submit the required documents
19 shall cause immediate suspension of the car rental limited line
20 license. A car rental limited line license for rental companies
21 may be voluntarily terminated by the car rental limited line
22 licensee. The license fee shall not be refunded upon
23 termination of the car rental limited line license by the car
24 rental limited line licensee.

25 (g-5) A business entity may be issued a limited lines
26 producer license for credit life and credit accident and health

1 insurance and other credit insurance policies approved or
2 permitted by the Director, provided that:

3 (1) application for the limited lines producer license
4 for credit insurance is made on a form specified by the
5 Director;

6 (2) the appointing insurance company has paid the
7 application fee amount required by the Director for the
8 business entity's application; and

9 (3) the business entity has designated an individual
10 with an in force limited license producer license issued
11 under paragraph (8) of subsection (a) of this Section to be
12 responsible for the business entity's compliance with the
13 insurance laws and regulations of this State related to
14 credit life and credit accident and health insurance and
15 other credit insurance policies approved or permitted by
16 the Director that are offered or sold by that business
17 entity.

18 Except as specifically authorized by paragraph (8) of
19 subsection (a) of this Section or this subsection (g-5), a
20 business entity holding a limited lines license under this
21 subsection (g-5) may not advertise, represent, or otherwise
22 hold itself or any of its employees out as licensed insurers,
23 insurance producers, insurance agents, or insurance brokers.

24 (h) A limited lines producer issued a license pursuant to
25 this Section is not subject to the requirements of Section
26 500-30.

1 (i) A limited lines producer license must contain the name,
2 address and personal identification number of the licensee, the
3 date the license was issued, general conditions relative to the
4 license's expiration or termination, and any other information
5 the Director considers proper. A limited line producer license,
6 if applicable, must also contain the name and address of the
7 appointing insurance company.

8 (Source: P.A. 98-159, eff. 8-2-13; 98-756, eff. 7-16-14;
9 98-1165, eff. 6-1-15.)

10 Section 95. No acceleration or delay. Where this Act makes
11 changes in a statute that is represented in this Act by text
12 that is not yet or no longer in effect (for example, a Section
13 represented by multiple versions), the use of that text does
14 not accelerate or delay the taking effect of (i) the changes
15 made by this Act or (ii) provisions derived from any other
16 Public Act.