

# SB2301



**94TH GENERAL ASSEMBLY**  
**State of Illinois**  
**2005 and 2006**  
**SB2301**

Introduced 1/12/2006, by Sen. William R. Haine

**SYNOPSIS AS INTRODUCED:**

215 ILCS 5/1403

Amends the Illinois Insurance Code. Provides that financial institutions and officers and employees of the institution are not required to become licensed under the Code in order to offer a line of insurance that is excluded from the definition of insurance if the line of insurance is offered in relation to the financial institution's banking business. Effective immediately.

LRB094 17545 LJB 52841 b

A BILL FOR

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  
5 changing Section 1403 as follows:

6 (215 ILCS 5/1403)

7 Sec. 1403. Licensure requirements for financial  
8 institutions.

9 (a) A financial institution transacting insurance business  
10 in this State shall register with the Director pursuant to the  
11 Illinois Insurance Code and shall be subject to the laws,  
12 rules, and penalties of the Illinois Insurance Code.

13 (b) The solicitation and sale of insurance by a financial  
14 institution shall be conducted only by individuals who have  
15 been issued and maintain an insurance producer's license  
16 pursuant to the Illinois Insurance Code and shall be subject to  
17 the laws, rules, and penalties of the Illinois Insurance Code.

18 (c) For the purposes of this Section, a "financial  
19 institution" means the subsidiary of a financial institution  
20 when the financial institution is transacting insurance  
21 business in this State only through the subsidiary. For the  
22 purposes of Section 499.1 of the Illinois Insurance Code, a  
23 financial institution shall be deemed to be a corporation.

24 (d) Nothing in this Article or in any other law of this  
25 State shall be construed to require a financial institution or  
26 the officers or employees of the institution to become licensed  
27 pursuant to this Code in order to offer any line of insurance  
28 that is excluded from the definition of insurance, as defined  
29 by Section 1402 of this Article, if that line of insurance is  
30 offered in relation to the financial institution's banking  
31 business.

32 (Source: P.A. 90-41, eff. 10-1-97.)

1           Section 99. Effective date. This Act takes effect upon  
2    becoming law.