

104TH GENERAL ASSEMBLY**State of Illinois****2025 and 2026****SB2684**

Introduced 10/14/2025, by Sen. Laura Fine

SYNOPSIS AS INTRODUCED:

215 ILCS 5/143.10f new
215 ILCS 5/143.10g new

Amends the Illinois Insurance Code. Provides that no insurance company that is authorized to do business in the State and that issues policies for personal multiperil property coverage, commonly known as homeowners insurance, shall use premiums collected from policyholders for executive employee compensation and bonuses, including, but not limited to, Chief Executive Officer stock buy-backs; any marketing materials, including, but not limited to, any print, radio, television, electronic, or digital advertisements; costs associated with lobbying; and contributions to State candidates for elected office, federal candidates for elected office, or political committees. Provides that, if an insurer that sells homeowner insurance policies in the State cancels or refuses to renew a policyholder's insurance policy or if, upon renewal, a policyholder's premium will increase by 10% or more, the insurer shall automatically provide a written notice to the policyholder disclosing the causes of any policy cancellation, non-renewal, or premium increase. Sets forth requirements for the content of the required notice. Provides that an insurer shall, within a reasonable time after providing notice to a policyholder, file electronically with the Department of Insurance a copy of the notice and any supporting documentation provided to the policyholder. Provides that, on or before July 1, 2026, the Department of Commerce and Economic Opportunity shall establish a homeowners and renters insurance affordability assistance pilot program. Sets forth criteria for participating in the pilot program. Repeals the provisions concerning the pilot program on July 1, 2030.

LRB104 14538 BAB 27679 b

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 adding Sections 143.10f and 143.10g as follows:

6 (215 ILCS 5/143.10f new)

7 Sec. 143.10f. Home property insurance; premiums and
8 notice.

9 (a) No insurance company that is authorized to do business
10 in this State and that issues policies for personal multiperil
11 property coverage, commonly known as homeowners insurance,
12 shall use premiums collected from policyholders for the
13 following:

14 (1) executive employee compensation and bonuses,
15 including, but not limited to, Chief Executive Officer
16 stock buy-backs;

17 (2) any marketing materials, including, but not
18 limited to, any print, radio, television, electronic, or
19 digital advertisements;

20 (3) costs associated with lobbying; and

21 (4) contributions to State candidates for elected
22 office, federal candidates for elected office, or
23 political committees.

1 (b) If an insurer that issues homeowner insurance policies
2 in this State cancels or refuses to renew a policyholder's
3 insurance policy or if, upon renewal, a policyholder's premium
4 will increase by 10% or more, the insurer shall automatically
5 provide a written notice to the policyholder disclosing the
6 causes of any policy cancellation, non-renewal, or premium
7 increase.

8 (c) The notice required under this Section shall be
9 provided to a policyholder no less than 60 calendar days
10 before the effective date of the renewal, cancellation, or
11 expiration of the policy. The notice shall include a
12 reasonable explanation for and the primary factors
13 contributing to any premium increase, non-renewal, or
14 cancellation. The primary factors shall include the following
15 categories:

16 (1) specific risk factors;

17 (2) claims history;

18 (3) market conditions;

19 (4) a summary of any changes to policy terms,
20 conditions, or coverage; and

21 (5) a clear and concise breakdown of the premium
22 calculation that identifies any administrative costs, loss
23 reserves, reinsurance costs, and claims-related factors
24 specific to the insured property.

25 The notice shall include the extent to which each of the
26 categories in this subsection (c) contributes to the premium

1 increase.

2 (d) An insurer shall include a statement in a notice
3 provided under this Section that a policyholder may contact
4 the insurer to request additional information about the
5 policyholder's premium increase. The insurer shall respond to
6 and provide additional information for the policyholder's
7 subsequent requests for premium change transparency no more
8 than 15 calendar days from the receipt of any request.

9 (e) An insurer shall send the notice to a policyholder in
10 writing and may send either explanations or notices via postal
11 mail or electronic mail if the policyholder has consented to
12 receive notifications electronically.

13 (f) An insurer shall, within a reasonable time after
14 providing notice to a policyholder, file electronically with
15 the Department of Insurance a copy of the notice and any
16 supporting documentation provided to the policyholder under
17 this Section. An insurer's failure to send the notice required
18 by this Section to the policyholder or file a copy with the
19 Department of Insurance is a violation of this Section.

20 (215 ILCS 5/143.10g new)

21 Sec. 143.10g. Homeowners and renters insurance
22 affordability assistance pilot program.

23 (a) As used in this Section:

24 "Department" means the Department of Commerce and Economic
25 Opportunity.

1 "Eligible policyholder" means a homeowner or renter who
2 can demonstrate:

3 (1) an increase of at least 20% in homeowners
4 insurance or renters insurance premiums compared to the
5 immediately preceding policy period; and

6 (2) meeting financial hardship criteria that includes,
7 at a minimum:

8 (A) household income at or below 80% of the area
9 median income as determined by the United States
10 Department of Housing and Urban Development;

11 (B) recent unemployment or loss of significant
12 income;

13 (C) high debt-to-income ratio or other
14 extraordinary circumstances; or

15 (D) fixed-income status, including seniors or
16 others relying on pension income, social security
17 benefits, or similar income sources.

18 "Financial assistance" means a one-time assistance grant
19 of up to \$5,000 per household or a maximum of 50% of the
20 insurance premium increase, whichever is less.

21 (b) Subject to appropriation, on or before July 1, 2026,
22 the Department shall establish a homeowners and renters
23 insurance affordability assistance pilot program for eligible
24 policyholders to receive financial assistance. The pilot
25 program shall provide direct financial assistance to eligible
26 homeowners and renters to offset unexpected increases in

1 homeowners insurance and renters insurance premiums.

2 (c) The Department shall submit an annual report with its
3 recommendations and findings beginning July 1, 2027, including
4 at least the following information:

5 (1) the number of pilot program applicants and
6 recipients;

7 (2) total funds disbursed; and

8 (3) recommendations for extending or modifying the
9 program.

10 (d) The Department may establish rules, as needed, to
11 implement the procedures and requirements for this pilot
12 program.

13 (e) This Section is repealed on July 1, 2030.