



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB2699

Introduced 10/14/2025, by Sen. Michael E. Hastings and Meg Loughran Cappel

SYNOPSIS AS INTRODUCED:

215 ILCS 5/143.17

from Ch. 73, par. 755.17

Amends the Illinois Insurance Code. Provides that no company shall impose renewal premium increases of more than 10% for policies of fire and extended coverage insurance to which specified provisions apply. In a provision prohibiting a company from making changes in deductibles or coverage for any policy forms applicable to certain lines of business unless the company provides a specified notice, adds delivery by electronic means as a method for providing that notice. Provides that no company may impose renewal premium increases of more than 10% for policies of automobile insurance to which specified provisions apply unless the company mails to the named insured written notice or delivers notice by electronic means of the change in premium or change in deductible or coverage at least 30 days prior to the renewal. Effective January 1, 2028.

LRB104 15493 BAB 28655 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 changing Section 143.17 as follows:

6 (215 ILCS 5/143.17) (from Ch. 73, par. 755.17)

7 Sec. 143.17. Notice of intention not to renew.

8 a. No company shall fail to renew any policy of insurance,
9 as defined in subsections (a), (b), (c), and (h) of Section
10 143.13, to which Section 143.11 applies, unless it shall send
11 by mail to the named insured at least 30 days advance notice of
12 its intention not to renew. The company shall maintain proof
13 of mailing of such notice on a recognized U.S. Post Office form
14 or a form acceptable to the U. S. Post Office or other
15 commercial mail delivery service. The nonrenewal shall not
16 become effective until at least 30 days from the proof of
17 mailing date of the notice to the name insured. Notification
18 shall also be sent to the insured's broker, if known, or the
19 agent of record, if known, and to the last known mortgagee or
20 lien holder. For purposes of this Section, the mortgagee or
21 lien holder, insured's broker, or the agent of record may opt
22 to accept notification electronically. However, where
23 cancellation is for nonpayment of premium, the notice of

1 cancellation must be mailed at least 10 days before the
2 effective date of the cancellation.

3 b. This Section does not apply if the company has
4 manifested its willingness to renew directly to the named
5 insured. Such written notice shall specify the premium amount
6 payable, including any premium payment plan available, and the
7 name of any person or persons, if any, authorized to receive
8 payment on behalf of the company. If no person is so
9 authorized, the premium notice shall so state.

10 b-5. This Section does not apply if the company manifested
11 its willingness to renew directly to the named insured.
12 However, no company may impose renewal premium increases of
13 more than 10% for lines of business enumerated in subsection
14 (b) of Section 143.13 to which Section 143.11 applies, and no
15 company may impose changes in deductibles or coverage for any
16 policy forms applicable to an entire line of business
17 enumerated in subsections (a), (b), (c), and (h) of Section
18 143.13 to which Section 143.11 applies unless the company
19 mails to the named insured written notice or delivers notice
20 by electronic means in compliance with Section 143.34 of the
21 change in deductible or coverage at least 60 days prior to the
22 renewal or anniversary date.

23 No company may impose renewal premium increases of more
24 than 10% for lines of business enumerated in subsection (a) of
25 Section 143.13 to which Section 143.11 applies unless the
26 company mails to the named insured written notice or delivers

1 notice by electronic means in compliance with Section 143.34
2 of the change in premium or change in deductible or coverage at
3 least 30 days prior to the renewal.

4 Notice shall also be sent to the insured's broker, if
5 known, or the agent of record. For purposes of the written or
6 electronically delivered notice required under this
7 subsection, "renewal premium increase" does not include
8 policyholder-initiated changes to coverage or exposure
9 changes.

10 c. Should a company fail to comply with (a) or (b) of this
11 Section, the policy shall terminate only on the effective date
12 of any similar insurance procured by the insured with respect
13 to the same subject or location designated in both policies.

14 d. Renewal of a policy does not constitute a waiver or
15 estoppel with respect to grounds for cancellation which
16 existed before the effective date of such renewal.

17 e. In all notices of intention not to renew any policy of
18 insurance, as defined in Section 143.11 the company shall
19 provide the named insured a specific explanation of the
20 reasons for nonrenewal.

21 f. For purposes of this Section, the insured's broker, if
22 known, or the agent of record and the mortgagee or lien holder
23 may opt to accept notification electronically.

24 (Source: P.A. 100-475, eff. 1-1-18.)

25 Section 99. Effective date. This Act takes effect January
26 1, 2028.