



Rep. Jay Hoffman

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10300HB0592ham001

LRB103 04177 BMS 58864 a

1 AMENDMENT TO HOUSE BILL 592

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 592 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Dental Service Plan Act is amended by  
5 changing Sections 16, 17, 22, 25, and 43 as follows:

6 (215 ILCS 110/16) (from Ch. 32, par. 690.16)

7 Sec. 16. ~~A~~ Nine or more natural persons of legal age, all  
8 ~~of whom are residents of Illinois and citizens of the United~~  
9 ~~States, and at least a majority of whom are dentists licensed~~  
10 ~~in Illinois to practice dentistry, may form, under the~~  
11 ~~provisions of this Act, a dental service plan corporation for~~  
12 ~~the purpose of establishing and operating a dental service~~  
13 ~~plan or plans. Such corporation~~ shall be subject to regulation  
14 and supervision by the Director as hereinafter provided, but  
15 shall not be subject to the laws of this State with respect to  
16 insurance corporations, except as provided in this Act.

1 (Source: Laws 1965, p. 2179.)

2 (215 ILCS 110/17) (from Ch. 32, par. 690.17)

3 Sec. 17. The business and affairs of a dental service plan  
4 corporation shall be managed by a board of trustees, which  
5 shall have the power to adopt and to amend, from time to time,  
6 by-laws governing the conduct of the corporation's business,  
7 unless the by-laws assign such power to the members of the  
8 dental service plan corporation, if any. Trustees shall be  
9 competent and trustworthy, possess good reputations, and have  
10 appropriate training, experience, or education. The number of  
11 trustees shall be ~~not less than 9 nor more than 21. Subject to~~  
12 ~~such limitation, the number of trustees shall be fixed by the~~  
13 ~~by-laws, except as to the number of the first board of trustees~~  
14 ~~which number shall be fixed by the charter,~~ and the number of  
15 trustees may be increased or decreased from time to time by  
16 amendment to the by-laws. ~~In the absence of a by law fixing the~~  
17 ~~number of trustees, the number shall be the same as that stated~~  
18 ~~in the charter. The trustees constituting the first board of~~  
19 ~~trustees shall be named in the charter and shall hold office~~  
20 ~~for such period or periods as may be specified in the charter~~  
21 ~~or the by laws. Trustees may be divided into classes and the~~  
22 ~~terms of office of the several classes need not be uniform, but~~  
23 ~~no such term shall exceed 3 years.~~ Each trustee shall hold  
24 office for the term for which he is elected and until his  
25 successor has been elected and qualified. Any vacancy

1 occurring in the board of trustees and any trusteeship to be  
2 filled by reason of an increase in the number of trustees may  
3 be filled by the board of trustees. A trustee appointed to fill  
4 a vacancy shall be appointed for the unexpired term of his  
5 predecessor in office. Each trustee shall be of legal age and a  
6 citizen of the United States. ~~At least one third of the~~  
7 ~~trustees shall be participating dentists of the corporation~~  
8 ~~licensed in Illinois to practice dentistry who are also~~  
9 ~~residents of Illinois, and they shall be designated as "dental~~  
10 ~~trustees". The remaining trustees shall be designated as~~  
11 ~~"public trustees". As the terms of dental trustees expire,~~  
12 ~~they shall be replaced, from time to time, by participating~~  
13 ~~dentists of the corporation licensed in Illinois to practice~~  
14 ~~dentistry who are also residents of Illinois, and elected by~~  
15 ~~the corporation's participating dentists, in the manner~~  
16 ~~prescribed by the by laws. As the terms of public trustees~~  
17 ~~expire, they shall be replaced, from time to time, by election~~  
18 ~~by the corporation's subscribers, in the manner prescribed by~~  
19 ~~the by laws.~~ Voting by proxy shall be permitted.

20 (Source: P.A. 97-989, eff. 1-1-13.)

21 (215 ILCS 110/22) (from Ch. 32, par. 690.22)

22 Sec. 22. Amendments to a charter shall be made by  
23 application to the Director and shall be subject to his  
24 approval.

25 Amendments to a charter having the effect of adding one or

1 more additional counties in which the dental service plan  
2 corporation shall operate may, if a majority of the dentists  
3 residing and in active practice therein have agreed to become  
4 participating dentists, be adopted by the affirmative vote of  
5 a majority of the trustees then in office, unless the by-laws  
6 assign such power to the members of the dental service plan  
7 corporation, if any.

8 (Source: Laws 1965, p. 2179.)

9 (215 ILCS 110/25) (from Ch. 32, par. 690.25)

10 Sec. 25. Application of Insurance Code provisions. Dental  
11 service plan corporations and all persons interested therein  
12 or dealing therewith shall be subject to the provisions of  
13 Articles IIA, VIII 1/2, XI, and XII 1/2 and Sections 3.1, 133,  
14 136, 139, 140, 143, 143c, 149, 355.2, 355.3, 367.2, 401,  
15 401.1, 402, 403, 403A, 408, 408.2, and 412, and subsection  
16 (15) of Section 367 of the Illinois Insurance Code.

17 (Source: P.A. 99-151, eff. 7-28-15.)

18 (215 ILCS 110/43) (from Ch. 32, par. 690.43)

19 Sec. 43. Every dental service plan corporation organized  
20 hereunder shall be operated and conducted not-for-profit and  
21 shall be deemed a charitable and benevolent corporation, and  
22 all of its funds and property shall be exempt from every State,  
23 county, district, municipal and school tax or assessment, and  
24 all other taxes and license fees, from the payment of which

1 charitable and benevolent corporations or institutions are now  
2 or may hereafter be exempt. This exemption shall not prevail  
3 against fees and charges imposed by Sections 408, 408.2, 409,  
4 444, and 444.1 of the Illinois Insurance Code. The laws of this  
5 State ~~state~~ applicable to not-for-profit corporations,  
6 including, without limitation, the laws relating to the  
7 merger, dissolution, and liquidation of domestic  
8 not-for-profit corporations and in respect to the rights,  
9 classification, and meetings of members, and the selection,  
10 change, duties, and powers of corporate officers, ~~and the~~  
11 ~~filing of annual reports by domestic not for profit~~  
12 ~~corporations~~ shall be applicable to corporations organized  
13 under this Act ~~act~~ to the extent the same are not inconsistent  
14 with the provisions of this Act ~~act~~. Wherever in any such laws  
15 reference is made to "Directors" of such not-for-profit  
16 corporations, such statutory provisions shall be deemed to  
17 apply to the trustees of corporations organized under this Act  
18 ~~act~~, and wherever the office of the Secretary of State is  
19 mentioned in such an Act ~~act~~, such provisions shall be deemed  
20 to refer to and designate the Director of Insurance when  
21 applied to corporations organized hereunder.

22 (Source: P.A. 90-583, eff. 5-29-98.)".