



Rep. Thaddeus Jones

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LRB103 37111 RPS 72522 a

1 AMENDMENT TO HOUSE BILL 4611

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 4611 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Insurance Code is amended by  
5 changing Section 424 and by adding Sections 143.19.4,  
6 143.19.5, and 143.19.6 as follows:

7 (215 ILCS 5/143.19.4 new)

8 Sec. 143.19.4. Standards applicable to certain vehicle  
9 insurance rates.

10 (a) This Section applies to insurance on risks in this  
11 State described in clause (b) of Class 2 and clause (e) of  
12 Class 3 of Section 4 of this Code.

13 (b) The following standards shall apply to the making and  
14 use of rates pertaining to the classes of insurance to which  
15 this Section applies:

16 (1) Rates shall not be excessive, inadequate, or

1 unfairly discriminatory.

2 (2) An insurer shall use methods based on sound  
3 actuarial principles.

4 (3) A rate is excessive if it is likely to produce a  
5 profit that is unreasonably high for the insurance  
6 provided.

7 (4) A rate is not inadequate unless the rate is  
8 insufficient to sustain projected losses and expenses in  
9 the class of insurance to which it applies or the use of  
10 such rate has or, if continued, will endanger the solvency  
11 of the insurer using it, or have the effect of  
12 substantially lessening competition or the tendency to  
13 create a monopoly in any market.

14 (5) Unfair discrimination in insurance rates is  
15 prohibited. Unfair discrimination exists if, after  
16 allowing for practical limitations, price differentials  
17 fail to reflect equitably the differences in expected  
18 losses and expenses. If unfair discrimination is found,  
19 the Department of Insurance may require corrective action  
20 from the insurance producer to take effect in the  
21 following calendar year. The Department of Insurance may  
22 also issue a fine of \$5,000 per instance of unfair  
23 discrimination.

24 (c) Nothing in this Section shall be construed as a  
25 requirement on the Department to review or approve rating  
26 information regularly filed with the Department or to limit or

1 define the scope of the Department's authority to review that  
2 rating information. Upon request, an insurance company is  
3 required to provide the Department any information the  
4 Department deems relevant to a company's compliance with this  
5 Section.

6 (215 ILCS 5/143.19.5 new)

7 Sec. 143.19.5. The Automobile Insurance Affordability and  
8 Availability Task Force.

9 (a) The Automobile Insurance Affordability and  
10 Availability Task Force is created to study and report on the  
11 Illinois automobile insurance marketplace and regulatory  
12 environment and the impacts of current practices and  
13 regulations on the overall availability and affordability of  
14 automobile insurance. The report shall incorporate data and  
15 conclusions from other jurisdictions, but shall focus on  
16 providing analyses and recommendations specific to the  
17 Illinois marketplace. The Task Force shall, at minimum,  
18 consider the following issues and may make recommendations to  
19 address any findings based on its consideration of those  
20 issues:

21 (1) National trends and data on availability and  
22 affordability of automobile insurance in Illinois and  
23 other jurisdictions.

24 (2) Rate approval regimes in other jurisdictions,  
25 including their relative impact on affordability and

1 availability, time and cost efficiency for regulators and  
2 taxpayers, and expected impact on residual markets.

3 (3) Current automobile insurance rating practices in  
4 Illinois and the impact a rate review mechanism would have  
5 on premiums in that market.

6 (4) Inflationary pressures on insurance affordability,  
7 including, but not limited to, the cost of vehicle parts,  
8 vehicle repair labor, and medical costs.

9 (5) Driving behavior patterns as well as trends  
10 relating to driving under the influence of alcohol,  
11 speeding, distracted driving, red light enforcement, and  
12 other enforcement, including, but not limited to, the  
13 analysis and recommendations identified in the 2024  
14 Roadmap to Safety by Advocates for Highway and Auto  
15 Safety.

16 (6) Automobile-related tort and litigation trends,  
17 including, but not limited to, the effect of assignments  
18 of benefits.

19 (7) The impact prohibiting rate-making based on credit  
20 score, gender, or lack of prior insurance would have on  
21 automobile insurance premiums in Illinois.

22 (8) The impact that Section 143.19.6 has on the  
23 automobile insurance marketplace.

24 The Task Force shall compile a report on its findings and  
25 submit that report to the Governor and the General Assembly on  
26 or before January 1, 2028.

1       (b) The Task Force, with respect to consumer education,  
2 shall review, assess, develop, and make available to consumers  
3 educational materials based on Regulatory Resources for  
4 Consumers on Personal Lines Pricing and Underwriting and the  
5 Consumers Guide to Auto Insurance published by the National  
6 Association of Insurance Commissioners.

7       (c) The Task Force shall include the following  
8 individuals:

9           (1) The Director of Insurance or the Director's  
10 designee.

11           (2) The Secretary of State or the Secretary's  
12 designee.

13           (3) The Secretary of Transportation or the Secretary's  
14 designee.

15           (4) One member of the Senate, appointed by the  
16 President of the Senate.

17           (5) One member of the Senate, appointed by the Senate  
18 Minority Leader.

19           (6) One member of the House of Representatives,  
20 appointed by the Speaker of the House of Representatives.

21           (7) One member of the House of Representatives,  
22 appointed by the Minority Leader of the House of  
23 Representatives.

24           (8) One representative from a non-profit consumer  
25 organization that serves to protect the interests of  
26 Illinois consumers as it relates to the regulation of

1 insurance, appointed by the Governor.

2 (9) One representative from an organization  
3 representing the interests of minority or economically  
4 disadvantaged populations, appointed by the Governor.

5 (10) One representative from a trade organization  
6 representing the insurance industry in Illinois, appointed  
7 by the Governor.

8 (11) One representative from a national trade  
9 organization representing property and casualty insurers,  
10 appointed by the Governor.

11 (12) One representative from a national trade  
12 organization representing mutual insurance companies,  
13 appointed by the Governor.

14 (13) One representative from a national trade  
15 association representing insurance compliance  
16 professionals, appointed by the Governor.

17 (14) One representative from a trade organization  
18 representing insurance agents, appointed by the Governor.

19 The appointments under paragraphs (4) through (14) of this  
20 subsection shall be made no later than December 31, 2025. The  
21 Director of Insurance or the Director's designee shall serve  
22 as the Chair of the Task Force.

23 (d) Subject to appropriation, the Office of Risk  
24 Management and Insurance Research at the University of  
25 Illinois shall provide technical support and guidance to the  
26 Task Force on matters of insurance marketplace analysis,

1 including conducting market studies as requested by the Task  
2 Force.

3 (e) Subject to appropriation, the Task Force shall engage  
4 with a third-party actuarial firm to oversee the technical  
5 analysis of the Illinois insurance market and the  
6 determinations of what impacts, if any, rate review and the  
7 prohibition of rate-making based on factors set forth in  
8 paragraph (7) of subsection (a) would have on the Illinois  
9 insurance market.

10 (f) A majority of the voting members of the Task Force  
11 constitutes a quorum for the transacting of business. Official  
12 action by the Task Force requires the approval of a majority of  
13 the members of the Task Force.

14 (g) The Task Force shall meet at least quarterly but may  
15 meet more often if needed to fulfill any of its duties.

16 (h) The Task Force is dissolved after it submits the  
17 report required under subsection (a), and this Section is  
18 repealed July 1, 2028.

19 (215 ILCS 5/143.19.6 new)

20 Sec. 143.19.6. Use of credit score and age in determining  
21 rates or premiums for certain vehicle insurance; prohibited.

22 (a) An individual's credit score shall not be considered  
23 when determining rates or premiums for insurance on risks in  
24 this State described in clause (b) of Class 2 and clause (e) of  
25 Class 3 of Section 4 of this Code.

1       (b) A policy of automobile insurance, including any class  
2 of motor vehicle coverage, may not be canceled by the insurer  
3 solely because the insured has reached the age of 65 years so  
4 long as the insured has a valid Illinois driver's license. An  
5 insurer shall not refuse to issue a renewal policy or increase  
6 the premium for any policy solely because an insured has  
7 reached the age of 65 years.

8       (c) This Section is repealed January 1, 2028.

9       (215 ILCS 5/424) (from Ch. 73, par. 1031)

10       Sec. 424. Unfair methods of competition and unfair or  
11 deceptive acts or practices defined. The following are hereby  
12 defined as unfair methods of competition and unfair and  
13 deceptive acts or practices in the business of insurance:

14       (1) The commission by any person of any one or more of  
15 the acts defined or prohibited by Sections 134, 143.24c,  
16 147, 148, 149, 151, 155.22, 155.22a, 155.42, 236, 237,  
17 364, 469, and 513b1 of this Code.

18       (2) Entering into any agreement to commit, or by any  
19 concerted action committing, any act of boycott, coercion  
20 or intimidation resulting in or tending to result in  
21 unreasonable restraint of, or monopoly in, the business of  
22 insurance.

23       (3) Making or permitting, in the case of insurance of  
24 the types enumerated in Classes 1, 2, and 3 of Section 4,  
25 any unfair discrimination between individuals or risks of



1 the same class or of essentially the same hazard and  
2 expense element because of the race, color, religion, or  
3 national origin of such insurance risks or applicants. The  
4 application of this Article to the types of insurance  
5 enumerated in Class 1 of Section 4 shall in no way limit,  
6 reduce, or impair the protections and remedies already  
7 provided for by Sections 236 and 364 of this Code or any  
8 other provision of this Code.

9 (4) Engaging in any of the acts or practices defined  
10 in or prohibited by Sections 154.5 through 154.8 of this  
11 Code.

12 (5) Making or charging any rate for insurance against  
13 losses arising from the use or ownership of a motor  
14 vehicle which requires a higher premium of any person by  
15 reason of his physical disability, race, color, religion,  
16 gender, or national origin.

17 (6) Failing to meet any requirement of the Unclaimed  
18 Life Insurance Benefits Act with such frequency as to  
19 constitute a general business practice.

20 (Source: P.A. 102-778, eff. 7-1-22.)

21 Section 10. The Illinois Vehicle Code is amended by adding  
22 Section 7-612 as follows:

23 (625 ILCS 5/7-612 new)

24 Sec. 7-612. Exemption upon demonstration of financial

1 need. Upon a verified demonstration of financial need by the  
2 owner, the Secretary may waive the reinstatement fee  
3 established in Section 7-606.

4 Section 99. Effective date. This Act takes effect January  
5 1, 2025, except that Section 143.9.16 of the Illinois  
6 Insurance Code takes effect January 1, 2026.".