

1 AMENDMENT TO SENATE BILL 318

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 318 on page 1 by  
3 replacing lines 18 through 21 with the following:

4 "Authorized insurer" means an insurer that holds a  
5 certificate of authority issued by the Director but, for the  
6 purposes of this Section, does not include a domestic surplus  
7 line insurer as defined in Section 445a or any residual  
8 market mechanism."; and

9 and on page 2 by inserting immediately below line 17 the  
10 following:

11 "Insurance producers shall not procure from an  
12 unauthorized insurer an insurance policy:

13 (i) that is designed to satisfy the proof of  
14 financial responsibility and insurance requirements in  
15 any Illinois statute where the statute requires that the  
16 proof or insurance is issued by an authorized insurer or  
17 residual market mechanism;

18 (ii) that covers the risk of accidental injury to  
19 employees arising out of and in the course of employment  
20 according to the provisions of the Workers' Compensation  
21 Act; or

22 (iii) that insures any Illinois personal lines  
23 risk, as defined in subsection (a), (b), or (c) of

1 Section 143.13 of this Code, that is eligible for  
2 residual market mechanism coverage, unless the insured or  
3 prospective insured requests limits of liability greater  
4 than the limits provided by the residual market  
5 mechanism. In the course of making a diligent effort to  
6 procure insurance from authorized insurers, an insurance  
7 producer shall not be required to submit a risk to a  
8 residual market mechanism when the risk is not eligible  
9 for coverage or exceeds the limits available in the  
10 residual market mechanism.

11 Where there is an insurance policy issued by an  
12 authorized insurer or residual market mechanism insuring a  
13 risk described in item (i), (ii) or (iii) above, nothing in  
14 this paragraph shall be construed to prohibit a surplus line  
15 producer from procuring from an unauthorized insurer a policy  
16 insuring the risk on an excess or umbrella basis where the  
17 excess or umbrella policy is written over one or more  
18 underlying policies."