

1 AN ACT concerning insurance.

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 Section 507.2 as follows:

6 (215 ILCS 5/507.2 new)

7 Sec. 507.2. Policyholder information and exclusive  
8 ownership of expirations.

9 (a) As used in this Section, "expirations" means all  
10 information relative to an insurance policy including, but  
11 not limited to, the name and address of the insured, the  
12 location and description of the property insured, the value  
13 of the insurance policy, the inception date, the renewal  
14 date, and the expiration date of the insurance policy, the  
15 premiums, the limits and a description of the terms and  
16 coverage of the insurance policy, and any other personal and  
17 privileged information, as defined by Section 1003 of this  
18 Code, compiled by a registered firm or furnished by the  
19 insured to the insurer or any agent, contractor, or  
20 representative of the insurer.

21 For purposes of this Section only, a registered firm also  
22 includes a sole proprietorship that transacts the business of  
23 insurance as an insurance agency.

24 (b) All "expirations" as defined in subsection (a) of  
25 this Section shall be mutually and exclusively owned by the  
26 insured and the registered firm. The limitations on the use  
27 of expirations as provided in subsections (c) and (d) of this  
28 Section shall be for mutual benefit of the insured and the  
29 registered firm.

30 (c) Except as otherwise provided in this Section, for  
31 purposes of soliciting, selling, or negotiating the renewal

1 or sale of insurance coverage, insurance products, or  
2 insurance services or for any other marketing purpose, a  
3 registered firm shall own and have the exclusive use of  
4 expirations, records, and other written or electronically  
5 stored information directly related to an insurance  
6 application submitted by, or an insurance policy written  
7 through, the registered firm. No insurance company, managing  
8 general agent, surplus lines insurance broker, wholesale  
9 broker, group self-insurance fund, third-party administrator,  
10 or any other entity shall use such expirations, records, or  
11 other written or electronically stored information to  
12 solicit, sell, or negotiate the renewal or sale of insurance  
13 coverage, insurance products, or insurance services to the  
14 insured or for any other marketing purposes, either directly  
15 or by providing such information to others, except in the  
16 case of a financial institution as defined by Section 1402 of  
17 this Code, without, separate from the general agency  
18 contract, the written consent of the registered firm.  
19 However, such expirations, records, or other written or  
20 electronically stored information may be used for any purpose  
21 necessary for placing such business through the insurance  
22 producer including reviewing an application and issuing or  
23 renewing a policy and for loss control services.

24 For purposes of this Section, "financial institution"  
25 does not include an insurance company, registered firm,  
26 managing general agent, surplus lines broker, wholesale  
27 broker, group self-funded insurance fund, or third-party  
28 administrator.

29 (d) With respect to a registered firm, this Section  
30 shall not apply:

31 (1) when the insured requests either orally or in  
32 writing that another registered firm obtain quotes for  
33 insurance from another insurance company or when the  
34 insured requests in writing individually or through

1 another registered firm, that the insurance company renew  
2 the policy;

3 (2) to policies in the Illinois Fair Plan, the  
4 Illinois Automobile Insurance Plan, or the Illinois  
5 Assigned Risk Plan for coverage under the Workers'  
6 Compensation Act and the Workers' Occupational Diseases  
7 Act;

8 (3) when the insurance producer is employed by or  
9 has agreed to act exclusively or primarily for one  
10 company or group of affiliated insurance companies or to  
11 a producer who submits to the company or group of  
12 affiliated companies that are organized to transact  
13 business in this State as a reciprocal company, as  
14 defined in Article IV of this Code, every request or  
15 application for insurance for the classes and lines  
16 underwritten by the company or group of affiliated  
17 companies;

18 (4) to policies providing life and accident and  
19 health insurance;

20 (5) when the registered firm is in default for  
21 nonpayment of premiums under the contract with the  
22 insurer or is guilty of conversion of the insured's or  
23 insurer's premiums or its license is revoked by or  
24 surrendered to the Department;

25 (6) to any insurance company's obligations under  
26 Sections 143.17 and 143.17a of this Code; or

27 (7) to any insurer that, separate from a producer  
28 or registered firm, creates, develops, compiles, and  
29 assembles its own, identifiable expirations as defined in  
30 subsection (a).

31 For purposes of this Section, an insurance producer shall  
32 be deemed to have agreed to act primarily for one company or  
33 a group of affiliated insurance companies if the producer (i)  
34 receives 75% or more of his or her insurance related

1 commissions from one company or a group of affiliated  
2 companies or (ii) places 75% or more of his or her policies  
3 with one company or a group of affiliated companies.

4 Nothing in this Section prohibits an insurance company,  
5 with respect to any items herein, from conveying to the  
6 insured or the registered firm any additional benefits or  
7 ownership rights including, but not limited to, the ownership  
8 of expirations on any policy issued or the imposition of  
9 further restrictions on the insurance company's use of the  
10 insured's personal information.

11 (e) The Director may adopt rules in accordance with  
12 Section 401 of this Code for the enforcement of this Section.

13 (f) This Section applies to the expirations relative to  
14 all policies of insurance bound, applied for, sold, renewed,  
15 or otherwise taking effect on or after the effective date of  
16 this amendatory Act of the 92nd General Assembly.

17 Section 99. Effective date. This Act takes effect upon  
18 becoming law.