

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 date of expiration, the
14 premiums, limits, terms, and coverage of the insurance
15 policy, and any other confidential information compiled by an
16 insurance producer or furnished by the insured to the insurer
17 or any agent, contractor, or representative of the insurer.

18 (b) Except as otherwise provided in this Section, for
19 purposes of soliciting, selling, or negotiating the renewal
20 or sale of insurance coverage, insurance products, or
21 insurance services or for any other marketing purpose, an
22 insurance producer shall own and have the exclusive use of
23 expirations, records, and other written or electronically
24 stored information directly related to an insurance
25 application submitted by, or an insurance policy written
26 through, the insurance producer. No insurance company,
27 managing general agent, surplus lines insurance broker,
28 wholesale broker, group self-insurance fund, third party
29 administrator, or any other entity shall use such
30 expirations, records, or other written or electronically
31 stored information to solicit, sell, or negotiate the renewal

1 or sale of insurance coverage, insurance products, or
 2 insurance services to the insured or for any other marketing
 3 purposes, either directly or by providing such information to
 4 others, without the express written consent of the insured
 5 and without, separate from the general agency contract, the
 6 written consent of the insurance producer. However, such
 7 expirations, records, or other written or electronically
 8 stored information may be used for any purpose necessary for
 9 placing such business through the insurance producer
 10 including reviewing an application and issuing or renewing a
 11 policy.

12 (c) This Section shall not apply:

13 (1) when the insured requests in writing
 14 individually or through another agent, that the insurance
 15 company renew the policy or write other insurance
 16 business;

17 (2) to the Illinois Fair Plan, the Illinois
 18 Automobile Insurance Plan, or the Illinois Assigned Risk
 19 Plan for coverage under the Workers' Compensation Act and
 20 the Workers' Occupational Diseases Act;

21 (3) when the insurance producer is employed by and
 22 has agreed to act exclusively for one company or group of
 23 affiliated insurance companies; or

24 (4) to policies providing life and health
 25 insurance.

26 This subsection does not prohibit an insurance company
 27 with respect to items (3) and (4) from conveying to a
 28 producer the ownership of expirations on any policy issued.

29 (d) The Director may adopt rules in accordance with
 30 Section 401 of this Code for the enforcement of this Section.
 31 Any person who violates this Section or the rules adopted
 32 pursuant to this Section shall be subject to disciplinary
 33 action by the Director.

34 (e) An insurance producer harmed by a violation of this

1 Section shall have a right to claim for lost commissions and
2 any other relief.

3 Section 99. Effective date. This Act takes effect upon
4 becoming law.