

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 155.37 as follows:

6 (215 ILCS 5/155.37 new)

7 Sec. 155.37. Homeowner's insurance; disclosure.

8 (a) A company that sells homeowner's insurance, as  
9 defined in Section 523, or fire and extended coverage  
10 insurance, as defined in subsection (b) of Section 143.13,  
11 must include in 16-point bold-faced type on the cover of each  
12 policy the following:

13 (1) the definition of the term "replacement policy"  
14 as used in the policy;

15 (2) the definition of the term "guaranteed  
16 replacement policy" as used in the policy;

17 (3) a statement explaining the term "limit of  
18 liability" as that term relates to replacement or  
19 guaranteed replacement in the event of a loss by the  
20 insured; and

21 (4) the page and section number of the policy that  
22 contains the explanation of the effect of the limits of  
23 liability under the policy on the coverage provided under  
24 a replacement policy.

25 (b) This Section applies to policies amended, delivered,  
26 issued, or renewed on and after the effective date of this  
27 amendatory Act of the 92nd General Assembly.

28 Section 99. Effective date. This Act takes effect upon  
29 becoming law.