

AN ACT relating to insurance.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

Section 5. The Illinois Insurance Code is amended by changing Section 1001 and adding Section 1023.5 as follows:

(215 ILCS 5/1001) (from Ch. 73, par. 1065.701)

Sec. 1001. Purpose. The purpose of this Article is to establish standards for the collection, use and disclosure of information gathered in connection with insurance transactions by insurance institutions, agents or insurance-support organizations; to maintain a balance between the need for information by those conducting the business of insurance and the public's need for fairness in insurance information practices, including the need to minimize intrusiveness; to establish a regulatory mechanism to enable natural persons to ascertain what information is being or has been collected about them in connection with insurance transactions and to have access to such information for the purpose of verifying or disputing its accuracy; to limit the disclosure of information collected in connection with insurance transactions; and to enable insurance applicants and policyholders to obtain the reasons for any adverse underwriting decision. Further, this Article shall grant the Director the authority to enforce Title V of the Gramm-Leach-Bliley Act (Public Law 106-102, 106th Congress). (Source: P.A. 81-1430.)

(215 ILCS 5/1023.5 new)

Sec. 1023.5. Federal privacy protections.

(A) In addition to the requirements of this Article, licensees shall comply with the privacy protection provisions of Title V of the federal Gramm-Leach-Bliley Act (Public Law 106-102, 106th Congress).

(B) The Director shall have authority to enforce the requirements of the privacy protection provisions of Title V of the federal Gramm-Leach-Bliley Act, employing powers granted to him under this Article and this Code.

(C) The Director shall make reasonable rules as may be necessary to make effective the privacy provisions of Title V of the federal Gramm-Leach-Bliley Act (Public Law 106-102, 106th Congress).

(D) For purposes of this Section, "licensee" means all insurers, insurance producers, and other persons licensed or required to be licensed, authorized or required to be authorized, registered or required to be registered, or domiciled, pursuant to this Code or any other insurance law of this State administered by the Department. "Licensee" also includes unauthorized insurers who accept business placed through a licensed surplus line producer in this State, but only in regard to the surplus line placements placed pursuant to Section 445 of this Code. However, this Section does not apply to "service contract providers" as defined by the Service Contract Act.

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

Passed in the General Assembly April 18, 2002.

Approved June 24, 2002.