



Board of Commissioners of Cook County

118 North Clark Street
Chicago, IL

Legislation Details

File #:	16-3082	Version:	1	Name:	SUPPORT FOR ILLINOIS GENERAL ASSEMBLY HOUSE BILL 4633 AND CONDEMNATION OF LIFE INSURERS WHO REFUSE TO FIND BENEFICIARIES OF UNCLAIMED BENEFITS
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Title: PROPOSED RESOLUTION

SUPPORT FOR ILLINOIS GENERAL ASSEMBLY HOUSE BILL 4633 AND CONDEMNATION OF LIFE INSURERS WHO REFUSE TO FIND BENEFICIARIES OF UNCLAIMED BENEFITS

WHEREAS, the 99th General Assembly of the State of Illinois has recently considered House Bill 4633; and

WHEREAS, House Bill 4633 will create the Unclaimed Life Insurance Benefits Act; and

WHEREAS, The Act will require all authorized insurers regulated by the Illinois Department of Insurance to undertake good faith efforts to locate beneficiaries and make payment funds owed to those beneficiaries; and

WHEREAS, the Cook County Board of Commissioners is entrusted with the responsibility for the welfare of the residents of Cook County; and

WHEREAS, United States Senator Dick Durbin (D-IL) has recently called upon Cook County-based insurance company, Kemper Corp. to disavow the practice of withholding unclaimed beneficiary funds; and

WHEREAS, Kemper Corp, an insurer with several subsidiaries, headquartered in Cook County, has \$8 billion dollars in assets; and

WHEREAS, Kemper Corp. and its subsidiaries hold billions of dollars in unclaimed benefits; and

WHEREAS, Kemper Corp. and its subsidiaries profit and bolster their bottom line by intentionally withholding beneficiaries' rightful funds; and

WHEREAS, At the same time that many of the residents of Cook County experience financial hardships as a result of the death of loved ones, Kemper Corp. and other Insurers record massive profits; and

WHEREAS, The State of Illinois and 40 other states have recently filed suit against insurers to force them to allow an audit; and

WHEREAS, Kemper Corp. has filed suit to stop Illinois from auditing its records of unclaimed benefit payments; and

WHEREAS, the corporate entities of Cook County should hold themselves to the highest standards of ethics, decency, and good corporate citizenship; and

WHEREAS, withholding unclaimed funds and making no efforts to locate beneficiaries, as well as obstructing efforts to require compliance with Illinois law fall far short of these standards; and

WHEREAS, the practices of not locating or notifying beneficiaries and denying beneficiaries with a rightful claim to life insurance proceeds could amount to the tortious act of conversion; and

WHEREAS, the Cook County Board will not sit silently while a corporate citizen of Cook County perpetrates such harm on the residents of Cook County.

NOW, THEREFORE, BE IT RESOLVED, that the President and Cook County Board of Commissioners do hereby support and encourage the 99th General Assembly of the State of Illinois in the passage of House Bill 4633 and strongly encourage Governor Rauner to sign such legislation into law; and

BE IT FURTHER RESOLVED, that the President and the Cook County Board of Commissioners strongly encourage Kemper Corp. and its subsidiaries to dismiss its suit against the State of Illinois and fully submit to the State's effort to audit their policy records; and

BE IT FURTHER RESOLVED, that the President and the Cook County Board of Commissioners condemn in the strongest terms, the actions of life insurers who sell policies to the residents of Cook County and have willfully and wantonly withheld payment of claims and refused to find and notify beneficiaries.

Sponsors: RICHARD R. BOYKIN, LUIS ARROYO JR, JERRY BUTLER, JOHN P. DALEY, JOHN A. FRITCHEY, BRIDGET GAINER, JESÚS G. GARCÍA, GREGG GOSLIN, STANLEY MOORE, SEAN M. MORRISON, TONI PRECKWINKLE (President), TIMOTHY O. SCHNEIDER, PETER N. SILVESTRI, DEBORAH SIMS, ROBERT STEELE, LARRY SUFFREDIN

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Attachments:

Date	Ver.	Action By	Action	Result
5/11/2016	1	Board of Commissioners	approve	Pass