S T A T E O F N E W Y O R K

2705--A

Cal. No. 89

2011-2012 Regular Sessions

I N S E N A T E

January 28, 2011

Introduced by Sens. SEWARD, KLEIN -- read twice and ordered printed, and when printed to be committed to the Committee on Insurance -- reported favorably from said committee, ordered to first and second report, ordered to a third reading, amended and ordered reprinted, retaining its place in the order of third reading

AN ACT to amend the insurance law, in relation to permitting insurers to make available multiple rating programs for private passenger motor vehicle insurance within the same company

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. The insurance law is amended by adding a new section 2352 to read as follows:

S 2352. MULTIPLE RATING PROGRAMS. (A) SUBJECT TO THE SUPERINTENDENT'S PRIOR APPROVAL, AN INSURER MAY ESTABLISH MORE THAN ONE RATING PROGRAM WITHIN THE SAME COMPANY FOR POLICIES OF INSURANCE THAT ARE SUBJECT TO SECTION THREE THOUSAND FOUR HUNDRED TWENTY-FIVE OF THIS CHAPTER; PROVIDED THAT:

(1) EACH RATING PROGRAM SHALL APPLY ONLY TO POLICIES NEWLY WRITTEN ON OR AFTER THE EFFECTIVE DATE OF THE RATING PROGRAM BUT PRIOR TO THE EFFECTIVE DATE OF ANY SUBSEQUENTLY APPROVED RATING PROGRAM; PROVIDED HOWEVER IF AN INSURER TERMINATES A RATING PROGRAM, THEN THE INSURER SHALL RENEW THE POLICIES THAT WERE SUBJECT TO THE TERMINATED RATING PROGRAM IN A SUBSEQUENTLY APPROVED RATING PROGRAM.

(2) THE PROVISIONS OF SUBSECTION (F) OF SECTION THREE THOUSAND FOUR HUNDRED TWENTY-FIVE AND SUBSECTION (B) OF SECTION TWO THOUSAND THREE HUNDRED FORTY-NINE OF THIS CHAPTER SHALL BE APPLIED TO EACH RATING PROGRAM SEPARATELY.

(B) THE SUPERINTENDENT MAY PROMULGATE RULES AND REGULATIONS TO IMPLEMENT THE PROVISIONS OF THIS SECTION.

S 2. This act shall take effect on the ninetieth day after it shall have become a law.

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

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