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

3104

2011-2012 Regular Sessions

I N S E N A T E

February 8, 2011

Introduced by Sen. KENNEDY -- read twice and ordered printed, and when printed to be committed to the Committee on Insurance

AN ACT to amend the insurance law, in relation to providing for a review of certain existing rating territory definitions for non-business automobile insurance policies

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

Section 1. Section 2307 of the insurance law is amended by adding a new subsection (e) to read as follows:

(E) (1) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, WITH RESPECT TO NON-BUSINESS AUTOMOBILE INSURANCE POLICIES, THE SUPERINTENDENT SHALL UNDERTAKE A THOROUGH REVIEW OF RATING TERRITORY DEFINITIONS AND RATE IMPLICATIONS OF CURRENT TERRITORIAL DEFINITIONS IN USE IN THIS STATE, WITH PARTICULAR FOCUS ON CHANGING DEMOGRAPHICS, BORDERLINE ZIP CODES, TERRITORIAL GROUPINGS, AND ALTERNATIVE APPROACHES TO ACHIEVING HOMOGENEITY.

(2) BASED ON SUCH REVIEW, THE SUPERINTENDENT MAY REQUIRE INSURERS TO ADJUST EXISTING OR ESTABLISH NEW TERRITORY DEFINITIONS AND TO USE SUCH ADJUSTED OR NEW TERRITORIES IN RELATION TO SUCH POLICIES.

(3) WITH RESPECT TO SUCH REVIEW AND ANY REQUIREMENTS MADE PURSUANT TO THIS SECTION, THE SUPERINTENDENT SHALL FIRST FOCUS ON CITIES WITH A POPULATION OF MORE THAN NINETEEN THOUSAND FORTY BUT LESS THAN TWENTY-FIVE THOUSAND HAVING HAD A DECREASE IN TRAFFIC DENSITY AND ACCIDENTS, WHICH ARE GEOGRAPHICALLY CONTIGUOUS WITH A CITY WITH A POPULATION OF MORE THAN TWO HUNDRED NINETY-TWO THOUSAND SIX HUNDRED FORTY-EIGHT BUT LESS THAN THREE HUNDRED FIFTY THOUSAND.

(4) THE SUPERINTENDENT SHALL REPORT TO THE GOVERNOR AND THE LEGISLATURE ON SUCH REVIEW AND ACTIONS TAKEN PURSUANT TO THIS SUBSECTION.

S 2. The review required by section one of this act shall be completed by July first in the year next succeeding the year in which it shall have become law, and the report required by section one of this act shall be submitted no later than December thirty-first in the year next succeeding the year in which it shall have become law.

S 3. This act shall take effect immediately.

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

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