STATE OF NEW YORK

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6004

2021-2022 Regular Sessions

IN ASSEMBLY

March 4, 2021
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Introduced by M. of A. PICHARDO -- read once and referred to the Commit-
  tee on Insurance

AN ACT to amend the insurance law, in relation to commercial crime
  coverage exclusions

  **The People of the State of New York, represented in Senate and Assem-
  bly, do enact as follows:**

1   Section 1. The insurance law is amended by adding a new section 3458
2 to read as follows:
3   **§ 3458. Commercial crime coverage exclusions. (a) Definitions. As used**
4 **in this section:**
5   **(1) "commercial crime coverage" means coverage under a policy of**
6 **commercial risk insurance that provides burglary and theft insurance or**
7 **fidelity insurance; and**
8   **(2) "commercial risk insurance" shall have the same meaning as set**
9 **forth in paragraph forty-seven of subsection (a) of section one hundred**
10 **seven of this chapter.**
11   **(b) No policy issued, renewed or delivered in this state that provides**
12 **commercial crime coverage may exclude or limit coverage for loss or**
13 **damage caused by an employee if:**
14   **(1) the employee was convicted of one or more criminal offenses in**
15 **this state or any other jurisdiction prior to being employed by the**
16 **employer; and**
17   **(2) after learning about an employee's past criminal conviction or**
18 **convictions, the employer made a determination to hire or retain the**
19 **employee pursuant to article twenty-three-A of the correction law.**
20   **(c) A violation of this section shall be deemed to be an unfair method**
21 **of competition or an unfair or deceptive act and practice in the conduct**
22 **of the business of insurance in this state, and shall be deemed to be a**
23 **trade practice constituting a determined violation, as defined in**
24 **subsection (c) of section two thousand four hundred two of this chapter,**
25 **in violation of section two thousand four hundred three of this chapter.**
26   § 2. This act shall take effect immediately.