

STATE OF NEW YORK

10524

IN ASSEMBLY

March 6, 2026

Introduced by M. of A. LUNSFORD -- read once and referred to the Committee on Insurance

AN ACT to amend the insurance law, in relation to motor vehicle insurance fairness; and to repeal section 2331 of the insurance law relating to motor vehicle insurance rates based on age, sex or marital status

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Section 2331 of the insurance law is REPEALED and a new
2 section 2331 is added to read as follows:

3 § 2331. Motor vehicle insurance fairness. (a) Definition. For purposes
4 of this section, the term "proceeding" shall mean the filing of any
5 rate, rating plan, rating rule or rating manual and any rulemaking
6 conducted pursuant to this section.

7 (b) Prohibitions; refusal to insure. (1) No insurer shall refuse to
8 issue or renew a policy or contract of motor vehicle liability and
9 collision insurance based in whole or in part on any of the prohibited
10 underwriting and rating factors set forth in subsection (c) of this
11 section, or use such factors to determine the terms of coverage or
12 placement in a particular affiliate within an insurance company group.

13 (2) Any schedule of rates, rating plan, rating rule, rating manual or
14 any other method of establishing the premium to be paid by a motor vehi-
15 cle insurance policyholder or covered driver, and the modification ther-
16 eof, based in whole or in part on any of the prohibited underwriting and
17 rating factors set forth in subsection (c) of this section shall be
18 deemed unfairly discriminatory.

19 (c) Prohibited factors. No filing of a rate, rating plan, rating rule
20 or rate manual applicable to motor vehicle liability and collision
21 insurance shall be approved by the superintendent if the filing is
22 based, in whole or in part, on the following factors:

23 (1) any criteria protected under section two hundred ninety-six of the
24 executive law;

25 (2) age, except as provided for under subsection (d) of this section;

26 (3) employment or occupation, except as it pertains to whether a vehi-
27 cle is being used for a business purpose and the nature of such use;

28 (4) education level attained;

29 (5) home ownership or property value;

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

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(6) consumer credit information or any other credit-based score;
(7) the absence of prior insurance;
(8) the amount or provider of prior insurance coverage;
(9) any measure of a consumer's price elasticity of demand;
(10) the zip code, or any territorial designation geographically smaller than a zip code, in which the policyholder resides, except as it pertains to the rate of auto-related crimes, such as theft and vandalism, or accident rates in such zip code or territorial designation;
(11) any data related to a consumer used to justify a rate increase where such data is more than two years old; or

(12) the level of income or wealth.

(d) Years of driving experience. Notwithstanding paragraph two of subsection (c) of this section, an insurer may consider the number of years of driving experience of an applicant for the purposes of underwriting and rating.

(e) Territory or any other geographical characteristic. Territory or any other geographical characteristic shall not be considered for the purposes of underwriting a policy or contract of motor vehicle liability and collision insurance, including, but not limited to, any decision to sell, refuse to sell, cancel, or non-renew. Notwithstanding paragraph ten of subsection (c) of this section, an insurer may, for rating purposes, use a territorial factor that is not prohibited if the territorial factor does not have more than a twenty-five percent impact on the premium that would otherwise be charged.

(f) Prohibited business practices. Every insurer issuing or delivering a policy or contract of motor vehicle liability and collision insurance in the state of New York shall demonstrate that its marketing, underwriting, rating, claims handling, fraud investigations, and any algorithm or model used for those such business practices do not disparately impact any group of customers based on race, color, national or ethnic origin, religion, sex, sexual orientation, disability, gender identity, or gender expression.

(g) Prior approval of rates. (1) No rate shall be approved by the superintendent or remain in effect that is excessive, inadequate, unfairly discriminatory, or otherwise in violation of this section. In considering whether a rate is excessive, inadequate, or unfairly discriminatory, no consideration shall be given to the degree of competition, and the superintendent shall consider whether such rate mathematically reflects the insurance company's investment income.

(2) Every insurer issuing or delivering a policy or contract of motor vehicle liability and collision insurance that desires to change any rate shall file a complete rate application with the superintendent. A complete rate application shall include all data necessary to justify the proposed rate and such other information as the superintendent may require. The applicant shall have the burden of proving that the requested rate change is justified and meets the requirements of this section.

(3) The superintendent shall notify the public of any application by an insurer for a rate change. The application shall be deemed approved sixty days after such public notice unless:

(i) the superintendent disapproves of the application;

(ii) a consumer or such consumer's representative requests a hearing within forty-five days after such public notice and the superintendent grants the hearing, or the superintendent determines not to grant the hearing and issues written findings in support of such decision; or

1 (iii) the superintendent, on the superintendent's own motion, deter-
2 mines to hold a hearing. If the proposed rate adjustment exceeds seven
3 percent of the then-applicable rate for personal motor vehicle liability
4 and collision insurance or fifteen percent for commercial motor vehicle
5 liability and collision insurance, then the superintendent shall hold a
6 hearing upon a timely request. If the application is incomplete or
7 otherwise subject to disapproval, then the superintendent may extend the
8 application review process by up to sixty days with the agreement of the
9 applicant.

10 (h) Right of the public to inspect rates. All information provided to
11 the superintendent pursuant to this section shall be available for
12 public inspection on the department's website, without the need to pay
13 for access or login credentials. The department shall establish on
14 their website a centralized online database to allow members of the
15 public to access and view any rate increase applications submitted by
16 insurers. Such database shall include, but not be limited to, the abili-
17 ty to search for specific insurance company rate applications, the abil-
18 ity to view public comments, and an option for individuals to submit
19 their own feedback.

20 (i) Right of the public to request permission to intervene. Any
21 person may request permission from the superintendent to intervene in
22 any proceeding permitted or established pursuant to this section. The
23 superintendent shall grant such permission if such intervention is like-
24 ly to contribute to the development of a complete record or is otherwise
25 fair and in the public interest.

26 (j) Rules. (1) The department shall, no later than ninety days from
27 the date this section takes effect, adopt rules and regulations that
28 guide the filing and approval of rates, rules, and forms pursuant to
29 this section. The superintendent shall develop formulas for evaluating
30 rates and any rules or forms that impact rates that will be used to
31 determine whether to approve or disapprove any filing.

32 (2) Until the rules and regulations described in paragraph one of this
33 subsection are implemented, no insurer may file for a change in any
34 rate, rule, or form that would result in a rate increase. If, before the
35 adoption of the rules and regulations described in paragraph one of this
36 subsection, an insurer asserts that it would not be able to earn a
37 reasonable rate of return without an increase, then such insurer may
38 request a hearing. If it is determined after a hearing that a rate
39 increase is needed to earn a reasonable rate of return, then the insurer
40 shall be allowed to make a change that affords it the minimum increase
41 required to earn a reasonable rate of return.

42 (3) The department shall, no later than one hundred eighty days from
43 the effective date of this section, adopt rules and regulations that
44 implement the testing of insurer business practices for compliance with
45 this section.

46 (k) Fees. All insurers of motor vehicle liability and collision insur-
47 ance subject to the provisions of this section shall be assessed a fee
48 of five hundredths of one percent of their total earned premiums from
49 the prior calendar year. Such fee shall be payable to the department no
50 later than July first of each calendar year and shall be used by the
51 department to implement the provisions of this section.

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