STATE OF NEW YORK

10773--A

IN ASSEMBLY

April 1, 2026

Introduced by M. of A. LEE -- read once and referred to the Committee on Insurance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the insurance law, in relation to authorizing residential cooperative corporations to offer health insurance

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

Section 1. Paragraph 1 of subsection (c) of section 4235 of the insurance law is amended by adding a new subparagraph (O) to read as follows:

(O) A policy issued to a residential cooperative corporation organized under the business corporation law or cooperative corporations law of the state of New York, for the benefit of its shareholders and their dependents, provided that:

(i) The cooperative has been in active existence for not less than two years prior to the issuance of such policy;

(ii) The cooperative is not formed or maintained solely for the purpose of obtaining insurance; and

(iii) The policy is issued by an insurer authorized to do the business of accident and health insurance in this state.

§ 2. Subsection (b) of section 1101 of the insurance law is amended by adding a new paragraph 9 to read as follows:

(9) Notwithstanding the foregoing, a residential cooperative corporation that contracts with an authorized insurer to provide group accident and health insurance to its members and their dependents pursuant to subparagraph (O) of paragraph one of subsection (c) of section four thousand two hundred thirty-five of this chapter shall not be deemed to be doing an insurance business solely by reason of sponsoring such coverage.

§ 3. The superintendent of financial services shall promulgate such rules and regulations as may be necessary to implement the provisions of this act, including but not limited to standards relating to solvency protection, nondiscrimination, disclosure of benefits, and reporting requirements applicable to residential cooperative health groups.

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

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§ 4. This act shall take effect on the one hundred eightieth day after it shall have become a law. Effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such date.