STATE OF NEW YORK

7221

2025-2026 Regular Sessions

IN SENATE

April 4, 2025

Introduced by Sen. BAILEY -- 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 extending certain provisions relating to medical malpractice insurers

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

Section 1. Section 1325 of the insurance law, as amended by chapter 637 of the laws of 2022, is amended to read as follows:

§ 1325. Exemption. For the purposes of exempting certain insurance companies from the provisions of section one thousand three hundred twenty-four of this article, the superintendent shall exempt, through December thirty-first, two thousand [~~twenty-five~~] twenty-eight, those stock and non-stock insurance companies to which subparagraph (B) of paragraph two of subsection (b) of such section applies.

§ 2. Subsection (c) of section 2343 of the insurance law, as amended by chapter 637 of the laws of 2022, is amended to read as follows:

(c) Notwithstanding any other provision of this chapter, no application for an order of rehabilitation or liquidation of a domestic insurer whose primary liability arises from the business of medical malpractice insurance, as that term is defined in subsection (b) of section five thousand five hundred one of this chapter, shall be made on the grounds specified in subsection (a) or (c) of section seven thousand four hundred two of this chapter at any time prior to December thirty-first, two thousand [~~twenty-five~~] twenty-eight.

§ 3. This act shall take effect immediately.

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

LBD10612-01-5