STATE OF NEW YORK

8583--A

2025-2026 Regular Sessions

IN SENATE

November 17, 2025

Introduced by Sen. KAVANAGH -- read twice and ordered printed, and when printed to be committed to the Committee on Rules -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the insurance law, in relation to requiring property/casualty insurance companies to submit certain zip code-level data, market share data, and information about models and scoring methods used for catastrophes to the department of financial services; to amend the insurance law, in relation to requiring an annual report on the housing insurance market for multifamily and nonprofit housing providers; to amend the insurance law, in relation to authorizing a premium discount to policyholders who demonstrate certain mitigation actions; to amend the insurance law, in relation to the timing of cancellation and nonrenewal notices for certain insurance policies; and to amend the insurance law, in relation to increasing membership of the board governing the New York property insurance underwriting association and to requiring a quadrennial report on the activities of such association

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

Section 1. The insurance law is amended by adding a new section 4122 to read as follows:

§ 4122. Reporting requirements for property/casualty insurance companies. (a) For the purposes of this section, the following terms shall have the following meanings:

(1) "Catastrophe model" means a tool, instrumentality, means, or product, including a map-based tool, a computer-based tool, or a simulation that is used by an insurer to estimate potential losses from catastrophic events.

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

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(2) "Community-level mitigation action" means a science-based mitigation action as demonstrated by a community or neighborhood level designation or certification or as undertaken by a government entity.

(3) "Property-specific mitigation action" means a science-based mitigation action that includes a verification and certification process.

(4) "Natural disaster risk model" means a tool, instrumentality, means, or product, including a map-based tool, a computer-based tool, or a simulation, that is used by an insurer in whole or in part, to measure or assess the natural disaster risk associated with a residential property or community for purposes of rating, classifying, pricing, or underwriting, including but not limited to writing or renewing insurance, based on natural disaster risk or estimating risks or losses corresponding to the natural disaster risk classifications.

(5) "Natural disaster" means the occurrence or imminent threat of widespread catastrophic or severe damage, injury, or loss of life or property resulting from any natural cause including, but not limited to, fire, flood, earthquake, hurricane, tornado, high water, landslide, mudslide, wind, storm, wave action, ice storm, air contamination, blight, drought, infestation, explosion, water contamination, bridge failure, or bridge collapse.

(b) Every property/casualty insurance company doing business in this state shall submit the following information to the department:

(1) Zip code-level data on the following topics:

(A) nonrenewal rates;

(B) nonpayment cancellation rates;

(C) other cancellation rates;

(D) claim frequency rates;

(E) average claim amounts;

(F) paid loss ratios; and

(G) average premiums;

(2) Market share data; and

(3) If utilized, the natural disaster risk model or catastrophe model or scoring method used to assign risk.

(A) The following information about a natural disaster risk model or catastrophe model or scoring method shall be submitted:

(i) a description of such model or method;

(ii) the impact of such model or method on rates;

(iii) an actuarial justification for all rating factors, including mitigation discounts offered; and

(iv) an explanation of the use of the model or method in underwriting decisions.

(B) Any model or method submitted to the department pursuant to this paragraph shall be treated as a trade secret and shall not be subject to disclosure under article six of the public officers law.

(C) Any property/casualty insurance company that uses a natural disaster risk model, a catastrophe model, or a combination of models shall ensure the following factors are either incorporated in the natural disaster risk model, catastrophe model, or combination of models or are otherwise demonstrably included in such property/casualty insurance company's underwriting and pricing:

(i) property-specific mitigation actions such as establishing defensible space, incorporating building hardening measures, or receiving certification from an entity with experience in mitigation of properties against natural disasters; and

(ii) community-level mitigation activities or designations, including forest treatment and other fuel reduction activities.

(D) Any property/casualty insurance company that uses a natural disaster risk model or a catastrophe model or scoring method to assign risk shall also include the information required in subparagraph (A) of this paragraph in any rate filing submitted to the superintendent by such property/casualty insurance company.

(c) The department shall create and maintain a public-facing database where policyholders can access the market share data submitted by property/casualty insurance companies pursuant to paragraph two of subsection (b) of this section.

§ 2. The insurance law is amended by adding a new section 3463 to read as follows:

§ 3463. Report on the housing insurance market for multifamily and nonprofit housing providers. (a) Definitions. For purposes of this section:

(1) "Multifamily residential building" means a property containing five or more dwelling units.

(2) "Nonprofit housing provider" means organizations described by section 501(c)(3) of the United States internal revenue code, charitable corporations as defined in paragraph (a) of section one hundred two of the not-for-profit corporation law and formed pursuant to paragraph (a) of section two hundred one of the not-for-profit corporation law, and organizations described by section two hundred sixteen-a of the education law that own or operate residential housing in New York.

(3) "Affordable housing development" means a residential building with units required to be affordable by statute, regulation, regulatory agreement, or recorded covenant.

(4) "Excess line insurance" has the same meaning as in article twenty-one of this chapter.

(5) "Insurer" means an authorized insurer writing property or liability coverage on residential buildings and includes reporting by excess line placements through the excess line association of New York as provided by regulation.

(b) Annual joint report. (1) The superintendent and the commissioner of homes and community renewal shall submit a joint report detailed in subdivision (c) of this section on or before October first of each year to the governor, the temporary president of the senate, and the speaker of the assembly, and post it on their websites.

(2) The report shall analyze the availability, pricing, terms, and affordability of property and liability insurance for multifamily residential buildings owned or operated by nonprofit and mission-driven entities, including affordable housing developments.

(3) The report shall include statewide and regional results, with New York city reported separately from the rest of the state.

(c) Required contents. The report shall present, at a minimum, aggregated statistics for the prior calendar year on:

(1) Premium levels and changes, including average and median premium per unit and square foot, and premium as a share of operating expenses.

(2) Coverage availability and market channel, including non-renewal and declination counts, the share placed in the excess-line market, and use of New York property insurance underwriting association.

(3) Deductibles by peril and trend.

(4) Common exclusions and limitations, including new or expanded exclusions introduced in the reporting year.

(5) Coverage limits relative to reported replacement cost.

(6) Claims frequency and severity for fire, water, wind, and liability, to the extent available.

(7) Documented affordability impacts in the division of housing and community renewal portfolios, including rent-pressure indicators, reserve draws, or capital-plan deferrals linked to insurance expense changes.

(8) Risk-mitigation credits and building resiliency investments reported by owners and recognized by insurers.

(9) Regional heat-map summaries of market stress using the methodology set by the department by bulletin or circular letter. The department may align with the national association of insurance commissioners' market-intelligence data elements.

(d) Data collection and confidentiality. (1) The superintendent may require special reports under section three hundred eight of this chapter and may consolidate requests with existing department data calls.

(2) Submissions that constitute trade secrets or sensitive commercial information are confidential under paragraph (d) of subdivision two of section eighty-seven of the public officers law. The published report shall contain only aggregated, de-identified statistics and analysis.

(3) The department shall consult with excess line and New York property insurance underwriting association regarding reporting formats that capture excess-line placements and assigned-risk activity without identifying individual insureds.

(e) Rulemaking. The department may adopt regulations or circular letters to implement this section, harmonize data standards with national association of insurance commissioners and other states, limit the burden on small insurers, and ensure data quality. The division of housing and community renewal may issue guidance to participating owners.

(f) No private right of action. Nothing in this section creates a private right of action.

§ 3. The insurance law is amended by adding a new section 2346-b to read as follows:

§ 2346-b. Homeowners insurance or property/casualty insurance; mitigation action. 1. For the purposes of this section, the following terms shall have the following meanings:

(a) "community-level mitigation action" means a science-based mitigation action as demonstrated by a community or neighborhood-level designation or certification or as undertaken by a government entity;

(b) "natural disaster" means the occurrence or imminent threat of widespread catastrophic or severe damage, injury, or loss of life or property resulting from any natural cause including, but not limited to, fire, flood, earthquake, hurricane, tornado, high water, landslide, mudslide, wind, storm, wave action, ice storm, air contamination, blight, drought, infestation, explosion, water contamination, bridge failure, or bridge collapse;

(c) "natural disaster risk model" means a tool, instrumentality, means, or product, including a map-based tool, a computer-based tool, or a simulation, that is used by an insurer in whole or in part, to measure or assess the natural disaster risk associated with a residential property or community for purposes of rating, classifying, or pricing based on natural disaster risk or estimating risks or losses corresponding to the natural disaster risk classifications; and

(d) "property-specific mitigation action" means a science-based mitigation action that includes a verification and certification process.

2. The superintendent shall provide for an actuarially appropriate reduction in the rates of homeowners insurance premiums and property/casualty insurance premiums applicable to residential real

property for policyholders who can demonstrate that property-specific mitigation actions have been undertaken on the property or community-level mitigation actions have been undertaken in sufficient proximity to the property to reduce the risk of loss from a natural disaster. The superintendent shall by regulation establish a process for policyholders to demonstrate such mitigation actions have occurred.

3. An insurer shall post on its public website readily accessible information on the premium discounts, incentives or other premium adjustments that are available to policyholders of homeowners insurance or property/casualty insurance applicable to residential real property who undertake property-specific mitigation actions or provide evidence of community-level mitigation actions. The website shall identify, as applicable:

(a) Property-specific mitigation actions for the policyholder to undertake and community-level mitigation actions, as determined by the superintendent, that could result in a discount, incentive, or other premium adjustment; and

(b) The amount of the discount, incentive, or other premium adjustment associated with each action.

4. (a) An insurer that provides a mitigation discount or that uses a natural disaster risk model or risk score to underwrite, nonrenew, price, create a rate differential, or surcharge the premium based upon the policyholder's or applicant's natural disaster risk shall provide an annual written notice to each policyholder or applicant upon application for insurance of the applicable mitigation discounts, the natural disaster risk score, and any other natural disaster risk classification used by the insurer to underwrite, nonrenew, price, create a rate differential, or surcharge the premium based upon the policyholder's or applicant's natural disaster risk.

(b) Such notice shall include:

(i) a plain-language explanation of the natural disaster risk score or other natural disaster risk classification, including an explanation that insurers may use different models and have different risk score changes that could result in different risk scores from other insurers;

(ii) the range of the scores or classifications that could potentially be assigned to the property;

(iii) the relative position of the score or classification assigned to the property within that range of possible scores or classifications provided by the insurer's risk model;

(iv) a written explanation of why the policyholder or applicant received the assigned score or classification that identifies the primary features of the property that influenced the assignment of the score or classification; and

(v) the impact, if any, that each property-specific mitigation or community-level mitigation action could have on a natural disaster risk score or classification assigned to the property.

5. The insurer shall provide the natural disaster risk score or classification to the policyholder or the applicant:

(a) for applicants, no later than fifteen days after the submission of the applicant's completed application to the insurer;

(b) for policyholders, in the offer of renewal;

(c) for policyholders that are not being offered a renewal, with the nonrenewal notice; and

(d) for a policyholder or applicant, if the policyholder or applicant has completed a property-specific mitigation action or provides evidence of a community-level mitigation action in sufficient proximity to the property to reduce the risk of loss since the time of the last application to or renewal by the insurer, no later than thirty days after the submission to the insurer of the policyholder's or applicant's request that the insurer provide a revised natural disaster risk score or risk classification.

6. A policyholder or applicant for a policy of insurance whose natural disaster risk model score, natural disaster risk classification assigned to the property, or applicable mitigation discount is inaccurate and provides evidence of the property-specific or community-level mitigation action may appeal the score directly to the insurer. The insurer shall notify the policyholder or applicant in writing of the right to appeal the natural disaster risk score or other natural disaster risk classification or applicable mitigation discount when the score or classification or discount is provided to the policyholder or applicant as required by this section. If the policyholder or applicant appeals the natural disaster risk score or other natural disaster risk classification or applicable discount, the insurer shall acknowledge receipt of the appeal in writing within ten calendar days after receipt of the appeal. The insurer shall respond to the appeal in writing with a reconsideration and decision within thirty calendar days after receiving the appeal. If an appeal is denied, the insurer shall, upon request by the superintendent, forward a copy of the appeal and the insurer's response, to the superintendent.

§ 4. Paragraphs 12 and 13 of subsection (b) of section 2305 of the insurance law, as amended by section 9 of part AAA of chapter 59 of the laws of 2017, are amended and a new paragraph 14 is added to read as follows:

(12) gap insurance; [~~and~~]

(13) private passenger automobile insurance, except as provided in section two thousand three hundred fifty of this article[~~,~~]; and

(14) homeowners insurance or property/casualty insurance applicable to residential real property as it relates to the inclusion of property-specific mitigation actions and community-level mitigation actions in the calculation of such rates,

§ 5. Paragraphs 1 and 2 of subsection (d) of section 3425 of the insurance law are amended to read as follows:

(1) Unless the insurer, at least [~~forty-five~~] ninety but not more than [~~sixty~~] one hundred twenty days in advance of the end of the policy period for nonrenewal or conditional renewal or the effective date for cancellation, mails or delivers to the named insured, at the address shown in the policy, a written notice of its intention not to renew a covered policy, [~~or~~] to condition its renewal upon change of limits or elimination of any coverages, or to cancel the policy, the named insured shall be entitled to renew the policy upon timely payment of the premium billed to the insured for the renewal. The specific reason or reasons for nonrenewal or conditioned renewal shall be stated in or shall accompany the notice. The specific reason or reasons for cancellation as provided in subsection (c) of this section shall be stated in or shall accompany the notice. This paragraph shall not apply when the named insured, an agent or broker authorized by the named insured, or an insurer of the named insured, has mailed or delivered written notice to the insurer that the policy has been replaced or is no longer desired.

(2) If an insurer has the right to cancel a policy it may, in lieu of cancellation, condition continuation of such policy upon change of limits or elimination of any coverage not required by law, if written notice of such intention is mailed or delivered to the insured at the

address shown in the policy at least [~~twenty~~] **ninety** days prior to the effective date of such action.

§ 6. The opening paragraph of subsection (c) of section 3426 of the insurance law, as amended by chapter 235 of the laws of 1989, is amended to read as follows:

After a covered policy has been in effect for sixty days unless cancelled pursuant to subsection (b) of this section, or on or after the effective date if such policy is a renewal, no notice of cancellation shall become effective until [~~fifteen~~] **ninety** days after written notice is mailed or delivered to the first-named insured and to such insured's authorized agent or broker, and such cancellation is based on one or more of the following:

§ 7. Paragraphs 3 and 4 of subsection (a) of section 3462 of the insurance law, as added by section 1 of part BB of chapter 56 of the laws of 2024, are amended and a new paragraph 5 is added to read as follows:

(3) The level or source of income of the tenants of the residential building or the shareholders of a cooperative housing corporation; [~~or~~]

(4) Whether such residential building is owned by a limited-equity cooperative; owned by a public housing authority; or owned by a cooperative housing corporation subject to the provisions of article two, article four, article five or article eleven of the private housing finance law[~~.~~]**; or**

(5) The residential building is located in a disadvantaged community, as identified pursuant to section 75-0111 of the environmental conservation law. An insurer who cancels, refuses to issue, refuses to renew or increase the premium of a policy, or excludes, limits, restricts, or reduces coverage under a policy for a residential building located in a disadvantaged community shall provide actuarial information to the insured or applicant to support such action.

§ 8. Subsection (b) of section 5402 of the insurance law, as amended by chapter 42 of the laws of 1996, is amended to read as follows:

(b) The association shall be governed by a board of [~~thirteen~~] **twenty-three** directors, ten of whom shall be elected annually by cumulative voting by the members of the association, whose votes in such election shall be weighted in accordance with each member's net direct premiums written during the preceding calendar year. **An additional six directors shall be appointed annually by the legislature, two by the temporary president of the senate, two by the speaker of the assembly, one by the minority leader of the senate and one by the minority leader of the assembly. Four directors shall be appointed annually by the governor and two of such directors shall be representatives of consumers.** The remaining three directors shall be appointed annually by the superintendent and be duly licensed insurance agents or brokers representative of broad segments of the public obtaining insurance through the association.

§ 9. Subsection (g) of section 5402 of the insurance law, as amended by chapter 182 of the laws of 2023, is amended to read as follows:

(g) In addition to fire insurance, extended coverage, coverage for additional perils and homeowners insurance should the same be made available through the association in accordance with a determination of necessity pursuant to section five thousand four hundred twelve of this article, the association may offer broad form coverage to applicants seeking to insure real property at fixed locations of this state, or the tangible personal property located thereon. The association may offer broad form coverage until June thirtieth, two thousand twenty-eight. On or before October first, two thousand twenty-seven the superintendent shall require the association to report to the superintendent as to the number of policies written pursuant to this subsection and paragraph three of subsection (f) of section five thousand four hundred five of this article, and any other information the superintendent may require. On or before January first, two thousand twenty-eight, **and every four years thereafter,** the superintendent shall report to the governor and the legislature regarding the number of policies issued pursuant to this section and such paragraph**, the geographic location of such policies, the types of policies offered, the coverage limits of such policies, risk reduction investments, information on the financial standing of the association** and [~~shall include~~] recommendations as to the continuation of such insurance offerings.

§ 10. 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 effective date.