S T A T E  O F  N E W  Y O R K

1172

2009-2010 Regular Sessions

I N  A S S E M B L Y

(PREFILED)

January 7, 2009

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

AN ACT to amend the insurance law, in relation to increases in deductibles and cancellation of automobile insurance policies

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Subsection (k) of section 3411 of the insurance law is amended to read as follows:

(k) Each insurer which offers physical damage insurance subject to the provisions of this section shall offer such insurance with a standard deductible of two hundred dollars for each occurrence. The insured shall, however, at the inception of the policy or at the annual anniversary date, or at the time of the replacement or addition of an automobile, have the option of purchasing a policy with a lesser deductible, but in no event may the insurer sell a policy with a deductible of less than fifty dollars for fire, theft or comprehensive insurance coverages (one hundred dollars for assigned risk policies issued pursuant to paragraph two of subsection (a) of section five thousand three hundred three of this chapter) and one hundred dollars for collision insurance coverage except that window glass coverage may be sold without a deductible. Each insurer which offers physical damage insurance subject to the provisions of this section shall also offer physical damage coverages with co-insurance or deductible provisions or combinations thereof as the superintendent may prescribe[, including but not limited to deductibles of two hundred fifty dollars, five hundred dollars and one thousand dollars]. IN NO EVENT SHALL AN INSURER INCREASE THE CO-INSURANCE OR DEDUCTIBLE MORE THAN TWENTY-FIVE PERCENT FOR THE TERM OF THE POLICY.

S 2. Paragraph 1 of subsection (c) of section 3425 of the insurance law is amended by adding a new closing paragraph to read as follows:

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

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NOTWITHSTANDING ANY OTHER PROVISION OF LAW, RULE OR REGULATION, NO AUTOMOBILE INSURANCE POLICY WHICH HAS BEEN IN EFFECT FOR SIXTY DAYS, OR UPON THE EFFECTIVE DATE IF THE POLICY IS A RENEWAL, SHALL BE CANCELLED BY THE INSURER FOR A PERIOD OF TEN YEARS UNLESS SUCH CANCELLATION IS PURSUANT TO SUBPARAGRAPH (A), (B) OR (C) OF THIS PARAGRAPH.

S 3. This act shall take effect on the first of January next succeeding the date on which it shall have become a law and shall apply to all policies issued or renewed on and after such effective date.