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

4711--A

2009-2010 Regular Sessions

I N A S S E M B L Y

February 5, 2009

Introduced by M. of A. ESPAILLAT, TOWNS, POWELL, ALFANO -- Multi-Sponsored by -- M. of A. HOOPER, PEOPLES-STOKES, WRIGHT -- read once and referred to the Committee on Insurance -- recommitted to the Committee on Insurance in accordance with Assembly Rule 3, sec. 2 -- reported and referred to the Committee on Rules -- Rules Committee discharged, bill amended, ordered reprinted as amended and recommitted to the Committee on Rules

AN ACT to amend the insurance law, in relation to prohibiting insurers from refusing to issue policies or imposing higher rates on persons who seek solely to purchase a mandatory minimum insurance

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 2616 to read as follows:

S 2616. DISCRIMINATION BASED UPON REQUEST FOR MINIMUM COVERAGE. INSURERS SHALL BE PROHIBITED FROM, SOLELY ON THE BASIS THAT A PERSON WAS PREVIOUSLY INSURED AT OR SEEKS TO PURCHASE ONLY THE MANDATORY MINIMUM MOTOR VEHICLE LIABILITY INSURANCE REQUIRED BY LAW:

(A) REFUSING TO ACCEPT AN APPLICATION FOR OR REFUSING TO ISSUE OR RENEW AN INSURANCE POLICY;

(B) PLACING AN INSURED OR APPLICANT FOR INSURANCE WITH A MORE EXPENSIVE AFFILIATE, OR IN A MORE EXPENSIVE RATING TIER OR CATEGORY THAN AN OTHERWISE SIMILAR INSURED OR APPLICANT WOULD BE PLACED; OR

(C) IMPOSING OR OFFERING A HIGHER RATE OR PREMIUM, REQUIRING PAYMENT OF MORE PREMIUM UP FRONT OR DENYING ELIGIBILITY FOR MORE FAVORABLE PAYMENT TERMS FROM ANY SUCH PERSON THAN IT IMPOSES, OFFERS, REQUIRES, OR DENIES AT THAT TIME FROM PERSONS IN OTHERWISE SIMILAR CASES.

S 2. This act shall take effect on the thirtieth day after it shall have become a law.

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

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