

4916

2009-2010 Regular Sessions

I N A S S E M B L Y

February 6, 2009

Introduced by M. of A. PHEFFER, MAISEL, JACOBS, GUNTHER, MILLMAN, GREENE, COLTON, GALEF, FIELDS, EDDINGTON, ROSENTHAL, V. LOPEZ, CAHILL, ESPAILLAT, JEFFRIES -- Multi-Sponsored by -- M. of A. DelMONTE, GABRYSZAK, GLICK, HIKIND, MARKEY, McENENY, REILLY, J. RIVERA, ROBINSON -- read once and referred to the Committee on Insurance

AN ACT to amend the insurance law, in relation to rental vehicle reimbursement coverage

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

1 Section 1. The insurance law is amended by adding a new section 2610-a
2 to read as follows:
3 S 2610-A. RENTAL VEHICLE REIMBURSEMENT COVERAGE. (A) FOR THE PURPOSES
4 OF THIS SECTION, "RENTAL VEHICLE REIMBURSEMENT COVERAGE" SHALL MEAN
5 COVERAGE FOR THE COST OF RENTING A VEHICLE USED AS SUBSTITUTE TRANSPOR-
6 TATION IF THE INSURED VEHICLE IS DAMAGED AND IS TEMPORARILY OUT OF USE
7 DUE TO A COVERED LOSS, UNTIL SUCH VEHICLE IS REPAIRED OR IS DECLARED A
8 TOTAL LOSS.
9 (B) WHENEVER A MOTOR VEHICLE COLLISION OR COMPREHENSIVE LOSS SHALL
10 HAVE BEEN SUFFERED BY AN INSURED, NO INSURER PROVIDING RENTAL VEHICLE
11 REIMBURSEMENT COVERAGE SHALL REQUIRE THAT THE INSURED UTILIZE A PARTIC-
12 ULAR RENTAL VEHICLE COMPANY, RENTAL VEHICLE COMPANY LOCATION OR A
13 PARTICULAR CONCERN.
14 (C) IN PROCESSING ANY SUCH CLAIM, THE INSURER SHALL DISCLOSE TO THE
15 INSURED THAT THE INSURED HAS THE RIGHT, AS GRANTED BY THIS SECTION, TO
16 UTILIZE ANY RENTAL VEHICLE COMPANY, RENTAL VEHICLE COMPANY LOCATION OR A
17 PARTICULAR CONCERN.
18 (D) AN INSURER WRITING AUTOMOBILE INSURANCE WHICH INCLUDES RENTAL
19 VEHICLE REIMBURSEMENT COVERAGE SHALL INFORM THE CONSUMER OF HIS OR HER
20 RIGHT, AS GRANTED BY THIS SECTION, TO CHOOSE A RENTAL VEHICLE COMPANY TO
21 UTILIZE IN THE EVENT THAT HE OR SHE UTILIZES SUCH COVERAGE. THE INSURER
22 SHALL PROVIDE THE DISCLOSURE REQUIRED UNDER THIS SECTION TO ANY INSURED

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

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1 ON NEW AND RENEWAL POLICIES. SUCH DISCLOSURE SHALL BE PROVIDED IN A
2 SEPARATE WRITTEN DOCUMENT, WHICH NEED NOT BE PROVIDED IN A SEPARATE
3 MAILING AS ANOTHER DOCUMENT AS LONG AS IT IS PROVIDED ON A SEPARATE
4 PIECE OF PAPER, EXCEPT THAT FOR NEW BUSINESS IT MAY BE PROVIDED EITHER
5 IN WRITING OR IN THE SAME MEDIUM AS THE APPLICATION FOR INSURANCE.
6 S 2. Severability and construction. The provisions of this act shall
7 be severable, and if any court of competent jurisdiction declares any
8 phrase, clause, sentence or provision of this act to be invalid, or its
9 applicability to any government, agency, person or circumstance is
10 declared invalid, the remainder of this act and its relevant applicabil-
11 ity shall not be affected. The provisions of this act shall be liberally
12 construed to give effect to the purposes thereof.
13 S 3. This act shall take effect on the ninetieth day after it shall
14 have become a law.