

5417

2009-2010 Regular Sessions

I N S E N A T E

May 1, 2009

Introduced by Sen. MONTGOMERY -- 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 the limits on certain
supplementary insurance

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

1 Section 1. Subparagraph (A) of paragraph 2 of subsection (f) of
2 section 3420 of the insurance law, as separately amended by chapters 547
3 and 568 of the laws of 1997, is amended to read as follows:
4 (2) (A) Any such policy shall[, at the option of the insured,] also
5 provide supplementary uninsured/underinsured motorists insurance for
6 bodily injury, in an amount [up to] NO LESS THAN the bodily injury
7 liability insurance limits of coverage provided under such policy,
8 subject to a maximum of two hundred fifty thousand dollars because of
9 bodily injury to or death of one person in any one accident and, subject
10 to such limit for one person, up to five hundred thousand dollars
11 because of bodily injury to or death of two or more persons in any one
12 accident, or a combined single limit policy of five hundred thousand
13 dollars because of bodily injury to or death of one or more persons in
14 any one accident. Provided however, [an] ANY insurer issuing such poli-
15 cy, in lieu of offering to the insured the coverages stated above, [may]
16 SHALL provide supplementary uninsured/underinsured motorists insurance
17 for bodily injury, in an amount [up to] NO LESS THAN the bodily injury
18 liability insurance limits of coverage provided under such policy,
19 subject to a maximum of one hundred thousand dollars because of bodily
20 injury to or death of one person in any one accident and, subject to
21 such limit for one person, up to three hundred thousand dollars because
22 of bodily injury to or death of two or more persons in any one accident,
23 or a combined single limit policy of three hundred thousand dollars
24 because of bodily injury to or death of one or more persons in any one
25 accident, if such insurer also makes available a personal umbrella poli-

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

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1 cy with liability coverage limits up to at least five hundred thousand
2 dollars which also provides coverage for supplementary
3 uninsured/underinsured motorists claims. Supplementary
4 uninsured/underinsured motorists insurance shall provide coverage, in
5 any state or Canadian province, if the limits of liability under all
6 bodily injury liability bonds and insurance policies of another motor
7 vehicle liable for damages are in a lesser amount than the bodily injury
8 liability insurance limits of coverage provided by such policy. Upon
9 written request by any insured covered by supplemental
10 uninsured/underinsured motorists insurance or his duly authorized repre-
11 sentative and upon disclosure by the insured of the insured's bodily
12 injury and supplemental uninsured/underinsured motorists insurance
13 coverage limits, the insurer of any other owner or operator of another
14 motor vehicle against which a claim has been made for damages to the
15 insured shall disclose, within forty-five days of the request, the bodi-
16 ly injury liability insurance limits of its coverage provided under the
17 policy or all bodily injury liability bonds. The time of the insured to
18 make any supplementary uninsured/underinsured motorist claim, shall be
19 tolled during the period the insurer of any other owner or operator of
20 another motor vehicle that may be liable for damages to the insured,
21 fails to so disclose its coverage. As a condition precedent to the obli-
22 gation of the insurer to pay under the supplementary
23 uninsured/underinsured motorists insurance coverage, the limits of
24 liability of all bodily injury liability bonds or insurance policies
25 applicable at the time of the accident shall be exhausted by payment of
26 judgments or settlements.

27 S 2. This act shall take effect on the thirtieth day after it shall
28 have become a law, and shall apply to insurance policies and contracts
29 issued, entered into or renewed on and after such effective date.