

S T A T E   O F   N E W   Y O R K

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5475--A

2009-2010 Regular Sessions

I N   S E N A T E

May 11, 2009

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

AN ACT to amend the insurance law, in relation to limits on certain supplementary insurance

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, 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     (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

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

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

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