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

4846

2009-2010 Regular Sessions

I N  A S S E M B L Y

February 6, 2009

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

AN ACT to amend the insurance law, in relation to the efficacy of the coastal market assistance program

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

Section 1. Section 3425 of the insurance law is amended by adding a new subsection (s) to read as follows:

(S) WITH RESPECT TO A COASTAL MARKET ASSISTANCE PROGRAM ESTABLISHED BY THE SUPERINTENDENT TO FACILITATE THE PLACEMENT OF HOMEOWNERS' INSURANCE, IF THE SUPERINTENDENT DETERMINES IN A WRITTEN FINDING AFTER A HEARING ON A RECORD, THAT SUCH PROGRAM IS NOT WORKING TO APPRECIABLY INCREASE THE AVAILABILITY AND PLACEMENT OF MEANINGFUL HOMEOWNERS' INSURANCE, OR THAT MODIFICATIONS TO A COASTAL MARKET ASSISTANCE PROGRAM COULD INCREASE INSURER PARTICIPATION IN SUCH PROGRAM, INCREASE INSURER PARTICIPATION IN A ROTATION PROCESS OF SUCH PROGRAM, INCREASE CONSUMER AWARENESS OF SUCH PROGRAM, OR INCREASE CONSUMER AND PRODUCER USE OF AND SATISFACTION WITH SUCH PROGRAM, THE SUPERINTENDENT MAY TAKE SUCH ACTION AS DEEMED NECESSARY, INCLUDING MANDATORY PARTICIPATION OR INCREASED LEVELS OF PARTICIPATION IN A COASTAL MARKET ASSISTANCE PROGRAM.

IN MAKING A DETERMINATION PURSUANT TO THIS SUBSECTION, THE SUPERINTENDENT MAY CONSIDER SUCH FACTORS AS: THE EXTENT AND NATURE OF COMPETITION; SIZE AND SIGNIFICANCE OF THE COVERAGE; AVAILABILITY OF ADEQUATE LIMITS OF COVERAGE; EFFICACY OF A COASTAL MARKET ASSISTANCE PROGRAM ADMINISTERED BY THE SUPERINTENDENT INCLUDING BUT NOT LIMITED TO ACTUAL PLACEMENT AND DEMAND FOR PLACEMENT OF COVERAGE THROUGH SUCH PROGRAMS AT THE TIME SUCH DETERMINATION IS TO BE MADE; RATE OF GROWTH IN POLICIES PLACED THROUGH THE NEW YORK PROPERTY INSURANCE UNDERWRITING ASSOCIATION; REINSURANCE AVAILABILITY; EXTENT AND NATURE OF CONSUMER AND PRODUCER COMPLAINTS TO THE INSURANCE DEPARTMENT, STEERING COMMITTEE AND ADMINISTRATOR OF A COASTAL MARKET ASSISTANCE PROGRAM; EXTENT OF DENIALS AND

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

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RESTRICTIONS OF COVERAGE; VOLUME OF CANCELLATIONS AND NONRENEWALS; OR CHANGING CONDITIONS IN THE ECONOMIC, JUDICIAL AND SOCIAL ENVIRONMENT.

WITH RESPECT TO ANY ACTION TAKEN BY THE SUPERINTENDENT PURSUANT TO THIS SUBSECTION, IF THE SUPERINTENDENT DETERMINES IN A WRITTEN FINDING, AFTER A HEARING ON A RECORD, THAT READY AVAILABILITY AND PLACEMENT OF MEANINGFUL HOMEOWNERS' COVERAGE HAS BEEN RESTORED, OR THAT RESCINDMENT OF ANY ACTION WOULD BEST FACILITATE THE PLACEMENT OF HOMEOWNERS' INSURANCE, THE SUPERINTENDENT MAY RESCIND SUCH ACTION.

S 2. This act shall take effect immediately.