

4626

2009-2010 Regular Sessions

I N S E N A T E

April 27, 2009

Introduced by Sen. LANZA -- read twice and ordered printed, and when printed to be committed to the Committee on Transportation

AN ACT to amend the vehicle and traffic law, in relation to requiring motor vehicle repair shops to provide written notice to customers; and to amend the insurance law, in relation to requiring insurers to disclose financial interests in motor vehicle repair shops

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

1 Section 1. Subdivision 4 of section 398-d of the vehicle and traffic
2 law is amended by adding a new paragraph (c) to read as follows:
3 (C) IN ADDITION TO THE PROVISIONS OF PARAGRAPH (A) OF THIS SUBDIVI-
4 SION, EVERY MOTOR VEHICLE REPAIR SHOP SHALL PROVIDE TO EACH CUSTOMER A
5 WRITTEN COPY OF THE NOTICE REQUIRED TO BE DISPLAYED BY THIS SECTION.
6 S 2. Section 2610 of the insurance law is amended by adding a new
7 subsection (c) to read as follows:
8 (C) IN PROCESSING ANY SUCH CLAIM, AN INSURER THAT HAS A FINANCIAL
9 INTEREST IN A MOTOR VEHICLE REPAIR SHOP, AS DEFINED IN SECTION THREE
10 HUNDRED NINETY-EIGHT-B OF THE VEHICLE AND TRAFFIC LAW, SHALL, AT THE
11 TIME OF LOSS, ORALLY AND IN WRITING, DISCLOSE SUCH INTEREST TO THE
12 INSURED, AFFIRM THAT THE INSURED IS UNDER NO OBLIGATION TO USE SUCH
13 MOTOR VEHICLE REPAIR SHOP AND STATE THAT THE INSURED HAS THE RIGHT TO
14 USE ANY MOTOR VEHICLE REPAIR SHOP SELECTED BY THE INSURED.
15 S 3. This act shall take effect on the one hundred twentieth day after
16 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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