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

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2011-2012 Regular Sessions

I N A S S E M B L Y

September 21, 2011

Introduced by M. of A. DINOWITZ -- 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:

Section 1. Section 2610-a of the insurance law, as added by chapter 322 of the laws of 2010, is amended to read as follows:

S 2610-a. Rental vehicle reimbursement coverage. (a) For the purposes of this section, "rental vehicle reimbursement coverage" shall mean coverage for the cost of renting a vehicle used as substitute transportation if the insured vehicle is damaged and is temporarily out of use due to a covered loss, until such vehicle is repaired or is declared a total loss.

(b) Whenever a motor vehicle collision or comprehensive loss shall have been suffered by an insured, no insurer providing rental vehicle reimbursement coverage shall require that the insured utilize a particular rental vehicle company, rental vehicle company location or a particular concern.

(c) WHENEVER A MOTOR VEHICLE COLLISION OR COMPREHENSIVE LOSS SHALL HAVE BEEN SUFFERED BY AN INSURED WHO HAS PURCHASED RENTAL VEHICLE REIMBURSEMENT COVERAGE, SUCH INSURED SHALL BE ENTITLED TO THE USE OF A RENTAL VEHICLE WHICH IS SIMILAR IN SIZE AND WHICH PROVIDES THE SAME SEATING CAPACITY AS THE VEHICLE FOR WHICH THE CLAIM WAS FILED AT NO ADDITIONAL OR INCREASED COST OR CHARGE.

(D) In processing any such claim, the insurer shall disclose to the insured that the insured has the right, as granted by this section, to utilize any rental vehicle company, rental vehicle company location or a particular concern AND TO RECEIVE A VEHICLE WHICH IS OF THE SAME APPROXIMATE SIZE AS THE INSURED VEHICLE FOR WHICH THE CLAIM WAS FILED.

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

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[(d)] (E) An insurer writing automobile insurance which includes rental vehicle reimbursement coverage shall inform the consumer of his or her [right] RIGHTS, as granted by this section, to choose a rental vehicle company to utilize in the event that he or she utilizes such coverage AND TO RECEIVE A VEHICLE WHICH IS OF THE SAME APPROXIMATE SIZE AND EQUAL SEATING CAPACITY AS THE INSURED VEHICLE FOR WHICH THE CLAIM WAS FILED. The insurer shall provide the disclosure required under this section to any insured on new and renewal policies. Such disclosure shall be provided in a separate written document, which need not be provided in a separate mailing as another document as long as it is provided on a separate piece of paper, except that for new business it may be provided either in writing or in the same medium as the application for insurance.

S 2. This act shall take effect on the ninetieth day after it shall have become a law.