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

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I N A S S E M B L Y

January 10, 2012

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

AN ACT to amend the insurance law, in relation to suspending premiums on life insurance policies where the policy holder is missing

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

Section 1. The insurance law is amended by adding a new section 3240 to read as follows:

S 3240. SUSPENSION OF LIFE INSURANCE PREMIUMS. (A) NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, LIFE INSURANCE PREMIUMS SHALL BE SUSPENDED WHERE THE POLICY HOLDER IS DEEMED MISSING AND SHALL REMAIN SUSPENDED UNTIL SUCH PERSON IS LOCATED OR PRESUMED DEAD BY THE APPROPRIATE COURT. SUCH LIFE INSURANCE POLICY SHALL RETAIN ITS VALUE DURING THE TIME THE PREMIUM IS SUSPENDED.

(B) FOR PURPOSES OF THIS SECTION, A PERSON IS DEEMED MISSING IF A REPORT TO A LAW ENFORCEMENT AUTHORITY HAS BEEN MADE REGARDING SUCH PERSON'S WHEREABOUTS.

S 2. This act shall take effect on the ninetieth day after 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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