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

3665--A

Cal. No. 552

2011-2012 Regular Sessions

I N S E N A T E

March 1, 2011

Introduced by Sen. BRESLIN -- read twice and ordered printed, and when printed to be committed to the Committee on Insurance -- reported favorably from said committee, ordered to first and second report, ordered to a third reading, amended and ordered reprinted, retaining its place in the order of third reading

AN ACT to amend the insurance law, in relation to permitting unauthorized foreign or alien insurers to contact nonresident persons, firms, associations or corporations to make insurance contracts

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

Section 1. Subsection (b) of section 1101 of the insurance law is amended by adding a new paragraph 8 to read as follows:

(8) NOTWITHSTANDING THE FOREGOING, A PERSON, AS DEFINED IN SECTION ONE THOUSAND FIVE HUNDRED ONE OF THIS CHAPTER, ON BEHALF OF AN UNAUTHORIZED FOREIGN OR ALIEN INSURER DULY LICENSED TO TRANSACT THE BUSINESS OF INSURANCE BY THE LAWS OF ITS DOMICILE MAY, FROM WITHIN THIS STATE, CONTACT ANY PERSON, FIRM, ASSOCIATION OR CORPORATION NOT A RESIDENT OF THIS STATE FOR THE PURPOSE OF PROPOSING TO MAKE ANY INSURANCE CONTRACT OR TO SOLICIT APPLICATIONS OR PERFORM SERVICES FOR ANY SUCH POLICIES OR CONTRACTS WITH RESPECT TO PERSONS OR RISKS NOT RESIDENT OR LOCATED IN THIS OR ANY OTHER STATE, PROVIDED THAT SUCH PERSON IS IN THE SAME HOLDING COMPANY SYSTEM WITH A DOMESTIC INSURER AND THE AFOREMENTIONED UNAUTHORIZED FOREIGN OR ALIEN INSURER. SUCH ACTIVITIES SHALL NOT BE DEEMED UNDER THIS CHAPTER AS DOING AN INSURANCE BUSINESS IN THIS STATE AND SUCH PERSON MAY MAINTAIN AN OFFICE IN THIS STATE UNDER ITS OWN NAME, AND EMPLOY PERSONS WITHIN THIS STATE, IN FURTHERANCE OF SUCH ACTIVITIES. FOR THE PURPOSES OF THIS SECTION, PERMITTED SERVICES INCLUDE, BUT ARE NOT LIMITED TO, UNDERWRITING, NEGOTIATING CONTRACT TERMS, QUOTING PREMIUMS, COLLECTING OF PREMIUMS, AND CLAIMS HANDLING.

S 2. Section 2117 of the insurance law is amended by adding a new subsection (k) to read as follows:

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

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(K) NOTWITHSTANDING ANYTHING IN THIS CHAPTER, A PERSON, AS DEFINED IN SECTION ONE THOUSAND FIVE HUNDRED ONE OF THIS CHAPTER, ON BEHALF OF AN UNAUTHORIZED FOREIGN OR ALIEN INSURER DULY LICENSED TO TRANSACT THE BUSINESS OF INSURANCE BY THE LAWS OF ITS DOMICILE MAY, FROM WITHIN THIS STATE, CONTACT ANY PERSON, FIRM, ASSOCIATION OR CORPORATION NOT A RESIDENT OF THIS STATE FOR THE PURPOSE OF PROPOSING TO MAKE ANY INSURANCE CONTRACT OR TO SOLICIT APPLICATIONS OR PERFORM SERVICES FOR ANY SUCH POLICIES OR CONTRACTS WITH RESPECT TO PERSONS OR RISKS NOT RESIDENT OR LOCATED IN THIS OR ANY OTHER STATE, PROVIDED THAT SUCH PERSON IS IN THE SAME HOLDING COMPANY SYSTEM WITH A DOMESTIC INSURER AND THE AFOREMENTIONED UNAUTHORIZED FOREIGN OR ALIEN INSURER. SUCH ACTIVITIES SHALL NOT BE DEEMED UNDER THIS CHAPTER AS DOING AN INSURANCE BUSINESS IN THIS STATE AND SUCH PERSON MAY MAINTAIN AN OFFICE IN THIS STATE UNDER ITS OWN NAME, AND EMPLOY PERSONS WITHIN THIS STATE, IN FURTHERANCE OF SUCH ACTIVITIES. FOR THE PURPOSES OF THIS SECTION, PERMITTED SERVICES INCLUDE, BUT ARE NOT LIMITED TO, UNDERWRITING, NEGOTIATING CONTRACT TERMS, QUOTING PREMIUMS, COLLECTING OF PREMIUMS, AND CLAIMS HANDLING.

S 3. This act shall take effect immediately.