

7849

2011-2012 Regular Sessions

I N A S S E M B L Y

May 19, 2011

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

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:

1 Section 1. Subsection (b) of section 1101 of the insurance law is
2 amended by adding a new paragraph 8 to read as follows:
3 (8) NOTWITHSTANDING THE FOREGOING, A PERSON, AS DEFINED IN SECTION ONE
4 THOUSAND FIVE HUNDRED ONE OF THIS CHAPTER, ON BEHALF OF AN UNAUTHORIZED
5 FOREIGN OR ALIEN INSURER DULY LICENSED TO TRANSACT THE BUSINESS OF
6 INSURANCE BY THE LAWS OF ITS DOMICILE MAY, FROM WITHIN THIS STATE,
7 CONTACT ANY PERSON, FIRM, ASSOCIATION OR CORPORATION NOT A RESIDENT OF
8 THIS STATE FOR THE PURPOSE OF PROPOSING TO MAKE ANY INSURANCE CONTRACT
9 OR TO SOLICIT APPLICATIONS OR PERFORM SERVICES FOR ANY SUCH POLICIES OR
10 CONTRACTS WITH RESPECT TO PERSONS OR RISKS NOT RESIDENT OR LOCATED IN
11 THIS OR ANY OTHER STATE, PROVIDED THAT SUCH PERSON IS IN THE SAME HOLD-
12 ING COMPANY SYSTEM WITH A DOMESTIC INSURER AND THE AFOREMENTIONED UNAU-
13 THORIZED FOREIGN OR ALIEN INSURER. SUCH ACTIVITIES SHALL NOT BE DEEMED
14 UNDER THIS CHAPTER AS DOING AN INSURANCE BUSINESS IN THIS STATE AND SUCH
15 PERSON MAY MAINTAIN AN OFFICE IN THIS STATE UNDER ITS OWN NAME, AND
16 EMPLOY PERSONS WITHIN THIS STATE, IN FURTHERANCE OF SUCH ACTIVITIES. FOR
17 THE PURPOSES OF THIS SECTION, PERMITTED SERVICES INCLUDE, BUT ARE NOT
18 LIMITED TO, UNDERWRITING, NEGOTIATING CONTRACT TERMS, QUOTING PREMIUMS,
19 COLLECTING OF PREMIUMS, AND CLAIMS HANDLING.
20 S 2. Section 2117 of the insurance law is amended by adding a new
21 subsection (k) to read as follows:
22 (K) NOTWITHSTANDING ANYTHING IN THIS CHAPTER, A PERSON, AS DEFINED IN
23 SECTION ONE THOUSAND FIVE HUNDRED ONE OF THIS CHAPTER, ON BEHALF OF AN
24 UNAUTHORIZED FOREIGN OR ALIEN INSURER DULY LICENSED TO TRANSACT THE

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

LBD11549-01-1

1 BUSINESS OF INSURANCE BY THE LAWS OF ITS DOMICILE MAY, FROM WITHIN THIS
2 STATE, CONTACT ANY PERSON, FIRM, ASSOCIATION OR CORPORATION NOT A RESI-
3 DENT OF THIS STATE FOR THE PURPOSE OF PROPOSING TO MAKE ANY INSURANCE
4 CONTRACT OR TO SOLICIT APPLICATIONS OR PERFORM SERVICES FOR ANY SUCH
5 POLICIES OR CONTRACTS WITH RESPECT TO PERSONS OR RISKS NOT RESIDENT OR
6 LOCATED IN THIS OR ANY OTHER STATE, PROVIDED THAT SUCH PERSON IS IN THE
7 SAME HOLDING COMPANY SYSTEM WITH A DOMESTIC INSURER AND THE AFOREMEN-
8 TIONED UNAUTHORIZED FOREIGN OR ALIEN INSURER. SUCH ACTIVITIES SHALL NOT
9 BE DEEMED UNDER THIS CHAPTER AS DOING AN INSURANCE BUSINESS IN THIS
10 STATE AND SUCH PERSON MAY MAINTAIN AN OFFICE IN THIS STATE UNDER ITS OWN
11 NAME, AND EMPLOY PERSONS WITHIN THIS STATE, IN FURTHERANCE OF SUCH
12 ACTIVITIES. FOR THE PURPOSES OF THIS SECTION, PERMITTED SERVICES
13 INCLUDE, BUT ARE NOT LIMITED TO, UNDERWRITING, NEGOTIATING CONTRACT
14 TERMS, QUOTING PREMIUMS, COLLECTING OF PREMIUMS, AND CLAIMS HANDLING.
15 S 3. This act shall take effect immediately.