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

9607

I N A S S E M B L Y

March 20, 2012

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

AN ACT to amend the insurance law and the tax law, in relation to the life insurance company guaranty corporation of New York

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

Section 1. Paragraph 1 of subsection (e) of section 7709 of the insurance law, as added by chapter 802 of the laws of 1985, is amended to read as follows:

(1) The total assessment against all member insurers for all impairments and insolvencies, less the amount of refunds (not including interest) to member insurers pursuant to subsection (f) of this section, shall not exceed five hundred million dollars, EXCEPT THAT WITH RESPECT TO A MEMBER INSURER THAT IS A DOMESTIC INSURER AND IS SUBJECT TO AN ORDER OF REHABILITATION UNDER ARTICLE SEVENTY-FOUR OF THIS CHAPTER AS OF MARCH FIRST TWO THOUSAND TWELVE, SUCH ASSESSMENT LIMIT SHALL BE FIVE HUNDRED FIFTY-EIGHT MILLION DOLLARS; PROVIDED, HOWEVER, THAT SUCH FIVE HUNDRED FIFTY-EIGHT MILLION DOLLAR LIMIT SHALL BE SUBJECT TO REDUCTION IN AN AMOUNT, IF ANY, DETERMINED BY THE SUPERINTENDENT, ON A DATE NOT EARLIER THAN TWELVE MONTHS AFTER THE ENTRY OF AN ORDER OF LIQUIDATION WITH RESPECT TO SUCH DOMESTIC INSURER, TO BE NOT NEEDED FOR THE CORPORATION TO BE ABLE TO PAY ITS OBLIGATIONS AND REASONABLE EXPENSES IN CONNECTION WITH THE LIQUIDATION OF SUCH DOMESTIC INSURER, BUT IN NO EVENT SHALL SUCH REDUCTION EXCEED FIFTY-EIGHT MILLION DOLLARS.

S 2. Paragraph 1 of subdivision (f) of section 1511 of the tax law, as amended by chapter 803 of the laws of 1985, is amended to read as follows:

(1) The maximum authorized credit for each taxpayer shall be determined as provided in [subsection (a) of] section seven thousand seven hundred twelve of the insurance law.

S 3. This act shall take effect immediately.

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

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