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

May 30, 2014

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Rodriguez) -- (at request of the State Insurance Fund) -- read once and referred to the Committee on Labor

AN ACT to amend the workers' compensation law and the insurance law, in relation to evidence of insurance concerning persons who may elect to be excluded from coverage under a workers' compensation policy

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

Section 1. Section 54 of the workers' compensation law is amended by adding a new subdivision 9 to read as follows:

9. A CERTIFICATE OF INSURANCE OR OTHER PROOF OF INSURANCE FOR ANY POLICY SECURING THE PAYMENT OF COMPENSATION UNDER THIS CHAPTER SHALL IDENTIFY BY NAME ANY EXECUTIVE OFFICER OF A CORPORATION, PARTNER IN A PARTNERSHIP OR LIMITED LIABILITY PARTNERSHIP, MEMBER OF A LIMITED LIABILITY COMPANY OR PROFESSIONAL SERVICES LIMITED LIABILITY COMPANY OR SOLE PROPRIETOR WHO IS NOT COVERED BY THE POLICY.

S 2. The insurance law is amended by adding a new section 3455 to read as follows:

S 3455. VERIFICATION OF WORKERS' COMPENSATION INSURANCE COVERAGE. (A) ANY INSURER, UPON BEING PRESENTED BY THE HOLDER OF A CERTIFICATE OF INSURANCE OR OTHER PROOF OF CURRENT INSURANCE COVERAGE OF AN EMPLOYER FOR THE PAYMENT OF BENEFITS UNDER THE WORKERS' COMPENSATION LAW, SHALL VERIFY TO THE HOLDER WHETHER CURRENT COVERAGE IN FACT EXISTS. THE INSURER SHALL PROVIDE THE VERIFICATION EITHER BY ELECTRONIC ACCESS THROUGH THE INTERNET OR BY E-MAIL OR REGULAR MAIL WITHIN FIVE BUSINESS DAYS FROM THE DATE THAT THE INSURER RECEIVES THE REQUEST.

(B) INSURERS SHALL REPORT TO THE WORKERS' COMPENSATION BOARD, IN THE MANNER AS REQUIRED BY THE CHAIR OF THE WORKERS' COMPENSATION BOARD, THE NAME OF ANY EXECUTIVE OFFICER OF A CORPORATION, PARTNER IN A PARTNERSHIP OR LIMITED LIABILITY PARTNERSHIP, MEMBER OF A LIMITED LIABILITY COMPANY OR PROFESSIONAL SERVICES LIMITED LIABILITY COMPANY OR SOLE PROPRIETOR WHO IS NOT COVERED BY THE POLICY, FOR THE PURPOSE OF MAKING SUCH INFORMATION AVAILABLE THROUGH A SEARCH ON A SECURE WEBSITE MAINTAINED BY THE WORKERS' COMPENSATION BOARD.

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

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(C) THE SUPERINTENDENT MAY ASSESS A PENALTY OF UP TO ONE THOUSAND DOLLARS AGAINST ANY INSURER FOR EACH INSTANCE THAT THE SUPERINTENDENT FINDS THAT THE INSURER DID NOT PROVIDE INFORMATION, UPON REQUEST, CONCERNING COVERAGE AS REQUIRED BY SUBSECTION (A) OR (B) OF THIS SECTION.

S 3. This act shall take effect on the ninetieth day after it shall have become a law.