

S. 3663

A. 4771

2013-2014 Regular Sessions

S E N A T E - A S S E M B L Y

February 8, 2013

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IN SENATE -- Introduced by Sen. ZELDIN -- read twice and ordered printed, and when printed to be committed to the Committee on Insurance

IN ASSEMBLY -- Introduced by M. of A. THIELE, ENGLEBRIGHT -- read once and referred to the Committee on Insurance

AN ACT to amend the insurance law, in relation to prohibiting discrimination in the issuance or renewal of homeowner's insurance policies and to the geographical location of risk of certain policies

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

1     Section 1. Section 3429 of the insurance law is amended to read as  
2 follows:  
3     S 3429. Geographical location of risks; HOMEOWNERS'; fire, fire and  
4 extended coverage policies; private passenger automobile insurance poli-  
5 cies. (a) No insurer shall REJECT ANY APPLICATION FOR, refuse to issue  
6 or renew, LIMIT THE TYPE OR AMOUNT OF COVERAGE OFFERED or shall cancel a  
7 policy of:  
8     (1) HOMEOWNERS' INSURANCE, fire insurance or fire and extended cover-  
9 age insurance, or  
10    (2) automobile insurance subject to section three thousand four  
11 hundred twenty-five of this article  
12 based solely on the geographical location of the risk OR PROPERTY within  
13 this state. Such prohibition shall not preclude an insurer from REJECT-  
14 ING AN APPLICATION FOR SUCH COVERAGE BASED ON THE UNREASONABLE DISTANCE  
15 OF THE RISK OR PROPERTY FROM THE INSURER'S ORDINARY SERVICE AREA, OR  
16 FROM refusing to issue or renew, LIMITING THE TYPE OR AMOUNT OF COVERAGE  
17 OFFERED or from cancelling such policies [based on sound underwriting  
18 and actuarial principles] reasonably related to actual or anticipated  
19 loss experience subject to the applicable provisions of section three  
20 thousand four hundred twenty-five of this article.

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

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1 (b) The superintendent shall by regulation establish procedures with  
2 respect to notification to insureds of the insurer's specific reason or  
3 reasons for refusal to issue or renew or for cancellation of such poli-  
4 cy.

5 S 2. Section 3433 of the insurance law is amended to read as follows:

6 S 3433. Termination of contracts or accounts of licensed agents or  
7 brokers; prohibition; geographical location. (a) No insurer shall termi-  
8 nate or refuse to renew a contract or account of a licensed agent or  
9 broker who negotiated policies of:

10 (1) HOMEOWNERS' INSURANCE, fire insurance or fire and extended cover-  
11 age insurance or

12 (2) automobile insurance subject to section three thousand four  
13 hundred twenty-five of this article when such termination or refusal to  
14 renew is based solely on the geographical location of the agent or  
15 broker or GEOGRAPHICAL LOCATION of the risks for which coverage is  
16 afforded through such agent or broker.

17 (b) The superintendent shall by regulation establish procedures  
18 requiring notification to such agents or brokers of the insurer's  
19 specific reason or reasons for termination or refusal to renew the  
20 agent's or broker's contract or account.

21 S 3. This act shall take effect on the thirtieth day after it shall  
22 have become a law and shall apply to all contracts and policies of  
23 insurance issued or renewed on and after such date.