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I N   S E N A T E

June 16, 2014

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Introduced by Sen. SAVINO -- (at request of the State Insurance Fund) --  
read twice and ordered printed, and when printed to be committed to  
the Committee on Rules

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 ASSEM-  
BLY, DO ENACT AS FOLLOWS:

1     Section 1. Section 54 of the workers' compensation law is amended by  
2     adding a new subdivision 9 to read as follows:  
3     9. A CERTIFICATE OF INSURANCE OR OTHER PROOF OF INSURANCE FOR ANY  
4     POLICY SECURING THE PAYMENT OF COMPENSATION UNDER THIS CHAPTER SHALL  
5     IDENTIFY BY NAME ANY EXECUTIVE OFFICER OF A CORPORATION, PARTNER IN A  
6     PARTNERSHIP OR LIMITED LIABILITY PARTNERSHIP, MEMBER OF A LIMITED  
7     LIABILITY COMPANY OR PROFESSIONAL SERVICES LIMITED LIABILITY COMPANY OR  
8     SOLE PROPRIETOR WHO IS NOT COVERED BY THE POLICY.  
9     S 2. The insurance law is amended by adding a new section 3455 to read  
10    as follows:  
11    S 3455. VERIFICATION OF WORKERS' COMPENSATION INSURANCE COVERAGE. (A)  
12    ANY INSURER, UPON BEING PRESENTED BY THE HOLDER OF A CERTIFICATE OF  
13    INSURANCE OR OTHER PROOF OF CURRENT INSURANCE COVERAGE OF AN EMPLOYER  
14    FOR THE PAYMENT OF BENEFITS UNDER THE WORKERS' COMPENSATION LAW, SHALL  
15    VERIFY TO THE HOLDER WHETHER CURRENT COVERAGE IN FACT EXISTS. THE  
16    INSURER SHALL PROVIDE THE VERIFICATION EITHER BY ELECTRONIC ACCESS  
17    THROUGH THE INTERNET OR BY E-MAIL OR REGULAR MAIL WITHIN FIVE BUSINESS  
18    DAYS FROM THE DATE THAT THE INSURER RECEIVES THE REQUEST.  
19    (B) INSURERS SHALL REPORT TO THE WORKERS' COMPENSATION BOARD, IN THE  
20    MANNER AS REQUIRED BY THE CHAIR OF THE WORKERS' COMPENSATION BOARD, THE  
21    NAME OF ANY EXECUTIVE OFFICER OF A CORPORATION, PARTNER IN A PARTNERSHIP  
22    OR LIMITED LIABILITY PARTNERSHIP, MEMBER OF A LIMITED LIABILITY COMPANY  
23    OR PROFESSIONAL SERVICES LIMITED LIABILITY COMPANY OR SOLE PROPRIETOR  
24    WHO IS NOT COVERED BY THE POLICY, FOR THE PURPOSE OF MAKING SUCH INFOR-  
25    MATION AVAILABLE THROUGH A SEARCH ON A SECURE WEBSITE MAINTAINED BY THE  
26    WORKERS' COMPENSATION BOARD.

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

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

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