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

1093

2013-2014 Regular Sessions

I N A S S E M B L Y

(PREFILED)

January 9, 2013

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

AN ACT to amend the insurance law, in relation to creating a task force on disasters

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

Section 1. The insurance law is amended by adding a new section 215 to read as follows:

S 215. TASK FORCE ON DISASTERS. (A) THERE IS HEREBY CREATED A TASK FORCE TO EXAMINE HOW INSURERS WHO WRITE POLICIES THAT COVER LOSS OF OR DAMAGE TO REAL PROPERTY, PERSONAL PROPERTY, OR OTHER LIABILITIES FOR LOSS OF, DAMAGE TO, OR INJURY TO PERSONS OR PROPERTY IN NEW YORK STATE RESPOND TO DISASTERS, IN WHAT WAYS STATE AND LOCAL AGENCIES SUCH AS THE DEPARTMENT OF FINANCIAL SERVICES AND THE DEPARTMENT OF HOMELAND SECURITY AND EMERGENCY SERVICES CAN ASSIST CLAIMANTS IN CONNECTING WITH INSURANCE COMPANIES, AND WHAT STEPS THE INDUSTRY CAN TAKE TO IMPROVE ITS RESPONSE IN THE FUTURE. THE GOAL OF THE TASK FORCE ON DISASTERS WILL BE TO DETERMINE IF POLICYHOLDERS AND COMMUNITIES HAVE ADEQUATE INSURANCE COVERAGE AND IF THEY ARE ABLE TO RELY UPON THAT COVERAGE IN THE EVENT OF A DISASTER.

(B) (1) THE TASK FORCE SHALL CONSIST OF EIGHTEEN MEMBERS, ONE OF WHOM SHALL BE THE SUPERINTENDENT OR HIS OR HER DESIGNATED REPRESENTATIVE, ONE OF WHOM SHALL BE THE COMMISSIONER OF THE DEPARTMENT OF HOMELAND SECURITY AND EMERGENCY SERVICES OR HIS OR HER DESIGNATED REPRESENTATIVE, FOUR OF WHOM SHALL BE APPOINTED BY THE GOVERNOR, FOUR OF WHOM SHALL BE APPOINTED BY THE GOVERNOR BASED UPON THE RECOMMENDATION OF THE SPEAKER OF THE ASSEMBLY, FOUR OF WHOM SHALL BE APPOINTED BY THE GOVERNOR BASED UPON THE RECOMMENDATION OF THE TEMPORARY PRESIDENT OF THE SENATE, TWO OF WHOM SHALL BE APPOINTED BY THE GOVERNOR BASED UPON THE RECOMMENDATION OF THE MINORITY LEADER OF THE ASSEMBLY, AND TWO OF WHOM SHALL BE APPOINTED BY

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

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THE GOVERNOR BASED UPON THE RECOMMENDATION OF THE MINORITY LEADER OF THE SENATE.

(2) THE APPOINTEES SHALL INCLUDE REPRESENTATIVES OF THE FOLLOWING:

(A) FIVE INSURERS WHO WRITE POLICIES THAT COVER LOSS OF OR DAMAGE TO REAL PROPERTY, PERSONAL PROPERTY, OR OTHER LIABILITIES FOR LOSS OF, DAMAGE TO, OR INJURY TO PERSONS OR PROPERTY, INCLUDING REPRESENTATIVES FROM COMPANIES OF VARYING SIZES AND LOCATIONS AND AT LEAST ONE INSURER WHO WRITES FOR THE NATIONAL FLOOD INSURANCE PROGRAM.

(B) FIVE LOCAL OFFICIALS WHO RESPOND TO DISASTERS AND EMERGENCIES, INCLUDING POLICE OFFICIALS, PROFESSIONAL AND VOLUNTEER FIRE AND EMERGENCY SERVICES PERSONNEL, AND LOCAL OFFICIALS RESPONSIBLE FOR THE COORDINATION OF EMERGENCY SERVICES AND THE LOCALITY'S RESPONSE TO A DISASTER OR EMERGENCY. THESE APPOINTMENTS SHALL REFLECT THE GEOGRAPHIC DIVERSITY OF THE STATE AND INCLUDE REPRESENTATIVES FROM LOCALITIES WITH VARYING POPULATION DENSITIES. THESE APPOINTMENTS SHALL ALSO INCLUDE REPRESENTATIVES FROM NEW YORK CITY, LONG ISLAND, THE HUDSON VALLEY, AND RURAL AREAS OF THE STATE THAT ARE PRONE TO FLOODING.

(C) TWO ORGANIZATIONS THAT REPRESENT INDEPENDENT AND PUBLIC ADJUSTERS.

(D) TWO NON-PROFITS THAT HAVE EXPERIENCE WITH DISASTER RELIEF.

(E) TWO CONSUMER ADVOCACY GROUPS.

(3) RECOMMENDATIONS AND APPOINTMENTS SHALL TAKE INTO CONSIDERATION THE EXPERTISE OF OTHER APPOINTEES, SO THAT THE TASK FORCE REFLECTS A DIVERSITY OF EXPERIENCE.

(4) THE MEMBERS OF THE TASK FORCE SHALL NOT RECEIVE COMPENSATION, BUT SHALL BE REIMBURSED FOR REASONABLE TRAVEL EXPENSES.

(C) THE SUPERINTENDENT, OR HIS OR HER DESIGNATED REPRESENTATIVE, AND THE COMMISSIONER OF THE DEPARTMENT OF HOMELAND SECURITY AND EMERGENCY SERVICES, OR HIS OR HER DESIGNATED REPRESENTATIVE, SHALL SERVE AS THE CO-CHAIRS OF THE TASK FORCE.

(D) THE TASK FORCE SHALL REPORT TO THE GOVERNOR, THE SPEAKER OF THE ASSEMBLY, THE TEMPORARY PRESIDENT OF THE SENATE, AND THE CHAIR OF THE ASSEMBLY INSURANCE COMMITTEE AND THE CHAIR OF THE SENATE INSURANCE COMMITTEE ON THE RESULTS OF ITS EXAMINATION ONE YEAR AFTER THE EFFECTIVE DATE OF THIS SECTION. THE REPORT SHALL INCLUDE INFORMATION ON THE CHALLENGES THAT INSURERS FACE WHEN RESPONDING TO A DISASTER, POSSIBLE WAYS FOR INSURERS TO WORK WITH COMMUNITY STAKEHOLDERS AND STATE AGENCIES TO ENSURE THAT CLAIMS ARE INVESTIGATED AND PROCESSED IN A TIMELY FASHION, A SUMMARY OF COMPLAINTS THAT POLICYHOLDERS FROM AFFECTED AREAS HAVE FILED WITH THE DEPARTMENT AND THE FINAL RESOLUTION OF THOSE COMPLAINTS, SUGGESTED LEGISLATION ON HOW TO IMPROVE THE INSURANCE INDUSTRY'S RESPONSE TO DISASTERS, AND ANY OTHER INFORMATION THE SUPERINTENDENT AND THE COMMISSIONERS OF THE DEPARTMENT OF HOMELAND SECURITY AND EMERGENCY SERVICES DEEMS RELEVANT.

(E) IN COMPLETING ITS TASK, THE TASK FORCE WILL CONSIDER THE FOLLOWING ISSUES, AS WELL AS ANY OTHER ISSUE THAT IT DEEMS RELEVANT:

(1) STEPS INSURERS CURRENTLY TAKE IN ORDER TO RESPOND TO DISASTER-RELATED CLAIMS IN A TIMELY FASHION;

(2) CHALLENGES INSURERS EXPERIENCE WHEN RESPONDING TO DISASTERS;

(3) ADDITIONAL STEPS INSURERS CAN TAKE TO BETTER RESPOND TO THE NEEDS OF COMMUNITIES AND POLICYHOLDERS AFFECTED BY A DISASTER;

(4) HOW INSURERS CAN EFFECTIVELY INVESTIGATE CLAIMS AND MAKE PAYMENTS WHEN ENTIRE COMMUNITIES HAVE BEEN WIPED OUT AND PEOPLE HAVE BEEN DISPLACED;

(5) WAYS INSURERS CAN PROACTIVELY REACH OUT TO POLICYHOLDERS AND COMMUNITIES FOLLOWING A DISASTER;

(6) WHETHER OR NOT INSURERS ARE GIVING POLICYHOLDERS ENOUGH TIME TO FILE CLAIMS FOLLOWING A DISASTER;

(7) STEPS INSURERS CURRENTLY TAKE TO ADEQUATELY ASSESS DAMAGE SO THAT HOMEOWNERS AND MUNICIPALITIES CAN REMOVE DEBRIS AND MAKE REPAIRS QUICKLY AND ANY ADDITIONAL STEPS INSURERS CAN TAKE;

(8) WAYS INSURERS ASSIST HOMEOWNERS AND BUSINESSES AFFECTED BY A DISASTER WHOSE PREMIUMS ARE DUE AND WHETHER THERE IS ADDITIONAL ASSISTANCE AVAILABLE TO POLICYHOLDERS;

(9) STEPS INSURERS CAN TAKE IF THEIR EMPLOYEES ARE AFFECTED BY A DISASTER IN ORDER TO ENSURE THAT THEY ARE STILL ABLE TO RESPOND TO CLAIMS IN A TIMELY FASHION;

(10) WHETHER OR NOT NEW YORKERS HAVE ADEQUATE INSURANCE COVERAGE AND IF NOT, IDENTIFYING WHAT BARRIERS EXIST THAT MAY PREVENT PEOPLE FROM PURCHASING ADEQUATE COVERAGE;

(11) STEPS INSURERS TAKE TO PREVENT DISPUTES WITH POLICYHOLDERS AND TO RESOLVE THOSE WHICH DO OCCUR AS WELL AS ADDITIONAL STEPS INSURERS CAN TAKE;

(12) LEGISLATIVE ACTIONS THAT CAN BE CONSIDERED TO ADDRESS SUCH ISSUES.

S 2. This act shall take effect immediately.