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

1307

2013-2014 Regular Sessions

I N A S S E M B L Y

(PREFILED)

January 9, 2013

Introduced by M. of A. ZEBROWSKI, ABINANTI -- Multi-Sponsored by -- M. of A. MOYA -- read once and referred to the Committee on Insurance

AN ACT to amend the insurance law, in relation to expanding the description of unfair insurance claim settlement practices

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

Section 1. Paragraphs 5 and 6 of subsection (a) of section 2601 of the insurance law, paragraph 5 as amended by chapter 547 of the laws of 1997 and paragraph 6 as amended by chapter 388 of the laws of 2008, are amended and two new paragraphs 7 and 8 are added to read as follows:

(5) compelling policyholders to institute suits to recover amounts due under its policies by offering substantially less than the amounts ultimately recovered in suits brought by them; [or]

(6) failing to promptly disclose coverage pursuant to subsection (d) or subparagraph (A) of paragraph two of subsection (f) of section three thousand four hundred twenty of this chapter[.];

(7) REQUIRING OR REQUESTING THAT ANY INDIVIDUAL OR ENTITY DENY OR PROMOTE THE DENIAL OF A CERTAIN NUMBER OR PERCENTAGE OF CLAIMS DURING ANY GIVEN PERIOD OF TIME; OR

(8) REQUIRING OR REQUESTING THAT ANY INDIVIDUAL OR ENTITY CANCEL OR PROMOTE THE CANCELLATION OF A CERTAIN NUMBER OR PERCENTAGE OF POLICIES DURING ANY GIVEN PERIOD OF TIME.

S 2. 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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