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

483

2013-2014 Regular Sessions

I N A S S E M B L Y

(PREFILED)

January 9, 2013

Introduced by M. of A. MAGNARELLI, HOOPER, ENGLEBRIGHT, V. LOPEZ, GUNTHER -- Multi-Sponsored by -- M. of A. BOYLAND, COLTON, COOK, CUSICK, GALEF, MILLMAN, TITONE, WEISENBERG, WRIGHT -- read once and referred to the Committee on Insurance

AN ACT to amend the insurance law, in relation to collision or comprehensive coverage on motor vehicles

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

Section 1. Section 2610 of the insurance law is amended by adding a new subsection (c) to read as follows:

(C)(1) NO INSURER IN PROCESSING ANY SUCH CLAIM, SHALL LIMIT THE PAYMENT OF SUCH CLAIM FOR DAMAGE TO A MOTOR VEHICLE REPAIR BASED ON PRICING CAPS FOR LABOR, PARTS, PAINT OR REPAIR MATERIALS. ALL ELEMENTS OF SUCH A CLAIM FOR DAMAGES SHALL BE NEGOTIATED WITH THE INSURED, OR HIS OR HER DESIGNATED REPRESENTATIVE, BY A DULY LICENSED APPRAISER.

(2) IF A RECOMMENDATION OR SUGGESTION OF AN AUTOMOTIVE REPAIR FACILITY IS MADE BY THE INSURER, AND ACCEPTED BY THE CLAIMANT, THE INSURER SHALL CAUSE THE DAMAGED VEHICLE TO BE RESTORED TO ITS CONDITION IMMEDIATELY PRIOR TO THE LOSS AT NO ADDITIONAL COST TO THE CLAIMANT OTHER THAN DEDUCTIONS STATED IN THE POLICY. SHOULD THE INSURER FAIL TO RESTORE THE VEHICLE TO ITS CONDITION IMMEDIATELY PRIOR TO THE LOSS, THE INSURER SHALL AT NO ADDITIONAL EXPENSE TO THE CLAIMANT CAUSE THE VEHICLE TO BE RESTORED TO ITS CONDITION IMMEDIATELY PRIOR TO THE LOSS AT A SHOP OF THE CLAIMANT'S CHOICE. THE INSURER SHALL MAINTAIN IN ITS FILE, A STATEMENT, SIGNED BY THE CLAIMANT, PLAINLY PRINTED IN NO LESS THAN 10 POINT TYPE: "PURSUANT TO SECTION 2610 OF THE INSURANCE LAW, AN INSURANCE COMPANY MAY NOT LIMIT PAYMENT BASED ON PRICING CAPS FOR LABOR, PARTS, PAINT OR REPAIR MATERIALS. AN INSURER CANNOT REQUIRE THAT REPAIRS BE MADE TO A MOTOR VEHICLE IN A PARTICULAR PLACE OR REPAIR SHOP. YOU HAVE THE RIGHT TO HAVE YOUR VEHICLE REPAIRED IN THE SHOP OF YOUR CHOICE".

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

LBD01477-01-3

S 2. This act shall take effect on the first of January next succeeding the date on which it shall have become a law and shall apply to all policies and contracts issued, renewed, modified, altered or amended on or after such effective date; provided, however, that effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized and directed to be made and completed on or before such effective date.