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

4230

2013-2014 Regular Sessions

I N S E N A T E

March 15, 2013

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

AN ACT to amend the insurance law, in relation to the filing of wholesale fees by certain suppliers of service contracts with the superintendent of financial services

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

Section 1. Subsection (a) of section 7903 of the insurance law, as amended by chapter 409 of the laws of 2012, is amended to read as follows:

(a) Notwithstanding any other provision of this chapter to the contrary, the marketing, sale, offering for sale, issuance, making, proposing to make and administration of service contracts by any provider, administrator or other person, shall be exempt from all other provisions of this chapter. A provider may, but is not required to, appoint an administrator or other designee to be responsible for any or all of the administration of service contracts and compliance with this article. Notwithstanding any other provision of this article, a provider of a service contract, as defined in paragraphs two and three of subsection (k) of section seven thousand nine hundred two of this article, shall, at least thirty days prior to the effective date of an initial [provider] WHOLESALE fee, or a change in a [provider] WHOLESALE fee, file the amount of the [provider] WHOLESALE fee with the superintendent and such filing shall be open to public inspection; and provided further that the [provider] WHOLESALE fee shall not exceed the amount filed. The requirement to file the amount of the [provider] WHOLESALE fee with the superintendent in this subsection shall not apply to fees set forth in any agreement to which an authorized insurer is a party.

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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