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

6507

I N S E N A T E

January 31, 2014

Introduced by Sen. SEWARD -- 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 accelerated death benefits under a life insurance policy

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

Section 1. Subsection (c) of section 3230 of the insurance law, as added by chapter 428 of the laws of 1991, is amended to read as follows:

(c) [Insurers are prohibited from paying accelerated death benefits or special surrender values to the policy owner or certificate holder for a period of fourteen days from the date on which the information specified in subdivision (d) of this section is transmitted in writing to the policy owner or certificate holder.] The policy owner or certificate holder shall have the right to rescind the request for such payments at any time during the process of application for said benefits.

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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