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

3207

2015-2016 Regular Sessions

I N S E N A T E

February 3, 2015

Introduced by Sen. ADDABBO -- 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 denial of certain insurance claims; and to amend the general municipal law, in relation to requiring certain municipal and government entities to notify mortgagees and lien holders when such entities are denied access to inspect certain real properties

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 3407-b to read as follows:

S 3407-B. DENIAL OF CERTAIN CLAIMS FOR REAL PROPERTY. 1. AN INSURER MAY DENY PAYMENTS FOR ANY CLAIM FOR REAL PROPERTY LOSS OR DAMAGE, WHERE SUCH REAL PROPERTY HAS BEEN ILLEGALLY CONVERTED OR ALTERED AND WHERE THE OWNER OF SUCH REAL PROPERTY DENIES A MUNICIPAL OR GOVERNMENTAL ENTITY ACCESS TO SUCH REAL PROPERTY FOR THE PURPOSE OF INSPECTING SUCH REAL PROPERTY FOR LOCAL CODE OF ORDINANCE VIOLATIONS.

2. FOR PURPOSES OF THIS SECTION, THE TERM "ILLEGALLY CONVERTED OR ALTERED" SHALL INCLUDE THE CONVERSION OF ANY STRUCTURE INTO A RESIDENTIAL DWELLING WHICH VIOLATES ANY APPLICABLE ZONING OR BUILDING ORDINANCE, CODE OR LAW OR WHICH HAS NOT RECEIVED A VALID CERTIFICATE OF OCCUPANCY OR ANY OTHER CERTIFICATE, NOTICE, FORM OR OTHER DOCUMENT RELATING TO AUTHORIZED OCCUPANCY OR PERMISSIBLE USAGE WHICH IS ISSUED BY A MUNICIPAL OR GOVERNMENTAL ENTITY HAVING JURISDICTION OVER SUCH MATTERS.

S 2. The general municipal law is amended by adding a new section 99-x to read as follows:

S 99-X. INSPECTION FOR LOCAL CODE OR ORDINANCE VIOLATIONS. ANY MUNICIPAL OR GOVERNMENTAL ENTITY HAVING JURISDICTION OVER ZONING OR BUILDING ORDINANCES, CODES OR LAWS OR CERTIFICATES OF OCCUPANCY OR ANY OTHER CERTIFICATES, NOTICES, FORMS OR OTHER DOCUMENTS RELATING TO AUTHORIZED

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

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OCCUPANCY OR PERMISSIBLE USAGE, WHICH HAS BEEN DENIED ACCESS TO INSPECT A PREMISES WHICH IS SUSPECTED TO HAVE BEEN ILLEGALLY CONVERTED OR ALTERED, SHALL NOTIFY ALL MORTGAGEES OR ANY OTHER LIEN HOLDERS OF THE PROPERTY THAT SUCH INSPECTION HAS BEEN DENIED.

S 3. This act shall take effect immediately.