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

3758

2015-2016 Regular Sessions

I N S E N A T E

February 17, 2015

Introduced by Sen. LATIMER -- 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 creating a task force on disasters

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 215 to read as follows:

S 215. TASK FORCE ON DISASTERS. (A) THERE IS HEREBY CREATED A TASK FORCE TO EXAMINE HOW INSURERS WHO WRITE POLICIES THAT COVER LOSS OF OR DAMAGE TO REAL PROPERTY, PERSONAL PROPERTY, OR OTHER LIABILITIES FOR LOSS OF, DAMAGE TO, OR INJURY TO PERSONS OR PROPERTY IN NEW YORK STATE RESPOND TO DISASTERS, IN WHAT WAYS STATE AND LOCAL AGENCIES SUCH AS THE DEPARTMENT OF FINANCIAL SERVICES AND THE DEPARTMENT OF HOMELAND SECURITY AND EMERGENCY SERVICES CAN ASSIST IN SUCH RESPONSE AND WHETHER POLICYHOLDERS AND COMMUNITIES HAVE ADEQUATE INSURANCE.

(B) (1) THE TASK FORCE SHALL CONSIST OF TWENTY-THREE MEMBERS, ONE OF WHOM SHALL BE THE SUPERINTENDENT OR HIS OR HER DESIGNATED REPRESENTATIVE, ONE OF WHOM SHALL BE THE COMMISSIONER OF THE DEPARTMENT OF HOMELAND SECURITY AND EMERGENCY SERVICES OR HIS OR HER DESIGNATED REPRESENTATIVE, FIVE OF WHOM SHALL BE APPOINTED BY THE GOVERNOR, FIVE OF WHOM SHALL BE APPOINTED BY THE GOVERNOR BASED UPON THE RECOMMENDATION OF THE SPEAKER OF THE ASSEMBLY, FIVE OF WHOM SHALL BE APPOINTED BY THE GOVERNOR BASED UPON THE RECOMMENDATION OF THE TEMPORARY PRESIDENT OF THE SENATE, THREE OF WHOM SHALL BE APPOINTED BY THE GOVERNOR BASED UPON THE RECOMMENDATION OF THE MINORITY LEADER OF THE ASSEMBLY, AND THREE OF WHOM SHALL BE APPOINTED BY THE GOVERNOR BASED UPON THE RECOMMENDATION OF THE MINORITY LEADER OF THE SENATE.

(2) THE APPOINTEES SHALL INCLUDE REPRESENTATIVES OF THE FOLLOWING:

(A) FOUR INSURERS WHO WRITE POLICIES THAT COVER LOSS OF OR DAMAGE TO REAL PROPERTY, PERSONAL PROPERTY, OR OTHER LIABILITIES FOR LOSS OF,

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

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DAMAGE TO, OR INJURY TO PERSONS OR PROPERTY, INCLUDING REPRESENTATIVES FROM COMPANIES OF VARYING SIZES AND LOCATIONS AND AT LEAST ONE INSURER WHO WRITES FOR THE NATIONAL FLOOD INSURANCE PROGRAM.

(B) TEN LOCAL OFFICIALS WHO RESPOND TO DISASTERS AND EMERGENCIES, INCLUDING POLICE OFFICIALS, PROFESSIONAL AND VOLUNTEER FIRE AND EMERGENCY SERVICES PERSONNEL, AND LOCAL OFFICIALS RESPONSIBLE FOR THE COORDINATION OF EMERGENCY SERVICES AND THE LOCALITY'S RESPONSE TO A DISASTER OR EMERGENCY. THESE APPOINTMENTS SHALL REFLECT THE GEOGRAPHIC DIVERSITY OF THE STATE AND INCLUDE REPRESENTATIVES FROM LOCALITIES WITH VARYING POPULATION DENSITIES. THESE APPOINTMENTS SHALL ALSO INCLUDE REPRESENTATIVES FROM THE FOLLOWING REGIONS: NEW YORK CITY, LONG ISLAND, MID-HUDSON, CAPITAL REGION, NORTH COUNTRY, MOHAWK VALLEY, SOUTHERN TIER, CENTRAL NEW YORK, FINGER LAKES, AND WESTERN NEW YORK.

(C) TWO ORGANIZATIONS THAT REPRESENT INDEPENDENT AND PUBLIC ADJUSTERS.

(D) TWO NON-PROFITS THAT HAVE EXPERIENCE WITH DISASTER RELIEF.

(E) TWO CONSUMER ADVOCACY GROUPS.

(F) ONE INDEPENDENT INSURANCE AGENT WHO OBTAINS COVERAGE FOR POLICY HOLDERS FOR LOSS OF OR DAMAGE TO REAL PROPERTY, PERSONAL PROPERTY, OR OTHER LIABILITIES FOR LOSS OF, DAMAGE TO, OR INJURY TO PERSONS OR PROPERTY.

(3) RECOMMENDATIONS AND APPOINTMENTS SHALL TAKE INTO CONSIDERATION THE EXPERTISE OF OTHER APPOINTEES, SO THAT THE TASK FORCE REFLECTS A DIVERSITY OF EXPERIENCE.

(4) THE MEMBERS OF THE TASK FORCE SHALL NOT RECEIVE COMPENSATION, BUT SHALL BE REIMBURSED FOR REASONABLE TRAVEL EXPENSES.

(C) THE SUPERINTENDENT, OR HIS OR HER DESIGNATED REPRESENTATIVE, AND THE COMMISSIONER OF THE DEPARTMENT OF HOMELAND SECURITY AND EMERGENCY SERVICES, OR HIS OR HER DESIGNATED REPRESENTATIVE, SHALL SERVE AS THE CO-CHAIRS OF THE TASK FORCE.

(D) THE TASK FORCE SHALL REPORT TO THE GOVERNOR, THE SPEAKER OF THE ASSEMBLY, THE TEMPORARY PRESIDENT OF THE SENATE, AND THE CHAIR OF THE ASSEMBLY INSURANCE COMMITTEE AND THE CHAIR OF THE SENATE INSURANCE COMMITTEE ON THE RESULTS OF ITS EXAMINATION ONE YEAR AFTER THE EFFECTIVE DATE OF THIS SECTION. THE REPORT SHALL INCLUDE INFORMATION ON THE CHALLENGES THAT INSURERS FACE WHEN RESPONDING TO A DISASTER, POSSIBLE WAYS FOR INSURERS TO WORK BETTER WITH COMMUNITY STAKEHOLDERS AND STATE AGENCIES TO FACILITATE TIMELY CLAIMS INVESTIGATION AND PROCESSING, SUGGESTED LEGISLATION TO ADDRESS, ISSUES IDENTIFIED BY THE TASK FORCE, AND ANY OTHER INFORMATION THE SUPERINTENDENT AND THE COMMISSIONERS OF THE DEPARTMENT OF HOMELAND SECURITY AND EMERGENCY SERVICES DEEMS RELEVANT.

(E) IN COMPLETING ITS TASK, THE TASK FORCE WILL CONSIDER THE FOLLOWING ISSUES, AS WELL AS ANY OTHER ISSUE THAT IT DEEMS RELEVANT:

(1) STEPS INSURERS CURRENTLY TAKE IN ORDER TO RESPOND TO DISASTER-RELATED CLAIMS IN A TIMELY FASHION;

(2) CHALLENGES INSURERS EXPERIENCE WHEN RESPONDING TO DISASTERS;

(3) STEPS INSURERS CURRENTLY TAKE TO ADEQUATELY ASSESS DAMAGE SO THAT HOMEOWNERS AND MUNICIPALITIES CAN REMOVE DEBRIS AND MAKE REPAIRS QUICKLY;

(4) ADDITIONAL STEPS INSURERS AND STATE AND LOCAL AGENCIES CAN TAKE TO BETTER RESPOND TO THE NEEDS OF COMMUNITIES AND POLICYHOLDERS AFFECTED BY A DISASTER;

(5) WAYS INSURERS AND STATE AND LOCAL AGENCIES CAN PROACTIVELY REACH OUT TO POLICYHOLDERS AND COMMUNITIES FOLLOWING A DISASTER;

(6) WAYS INSURERS ASSIST HOMEOWNERS AND BUSINESSES AFFECTED BY A DISASTER WHOSE PREMIUMS ARE DUE;

(7) STEPS INSURERS CAN TAKE IF THEIR EMPLOYEES ARE AFFECTED BY A DISASTER IN ORDER TO ENSURE THAT THEY ARE STILL ABLE TO RESPOND TO CLAIMS IN A TIMELY FASHION;

(8) WHETHER OR NOT NEW YORKERS HAVE ADEQUATE INSURANCE COVERAGE AND IF NOT, IDENTIFYING WHAT BARRIERS EXIST THAT MAY PREVENT PEOPLE FROM PURCHASING ADEQUATE COVERAGE;

(9) IDENTIFYING MEASURES TO ENCOURAGE HOMEOWNERS AND BUSINESSES TO PURCHASE FLOOD INSURANCE AS NEEDED;

(10) STEPS INSURERS TAKE TO PREVENT DISPUTES WITH POLICYHOLDERS AND TO RESOLVE THOSE WHICH DO OCCUR AS WELL AS ADDITIONAL STEPS INSURERS CAN TAKE;

(11) LEGISLATIVE ACTIONS THAT CAN BE CONSIDERED TO ADDRESS SUCH ISSUES.

S 2. This act shall take effect immediately.