3860

2015-2016 Regular Sessions

IN SENATE

February 20, 2015

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 deductibles for physical damage insurance

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

1 Section 1. Subsection (k) of section 3411 of the insurance law is 2 amended to read as follows:

3 (k) (1) Each insurer which offers physical damage insurance subject to the provisions of this section shall offer such insurance with a stand-4 5 ard deductible of two hundred dollars for each occurrence. The insured 6 shall, however, at the inception of the policy or at the annual anniver-7 sary date, or at the time of the replacement or addition of an automo-8 bile, have the option of purchasing a policy with a lesser deductible, in no event may the insurer sell a policy with a deductible of less 9 but than fifty dollars for fire, theft or comprehensive insurance coverages 10 (one hundred dollars for assigned risk policies issued pursuant to para-11 graph two of subsection (a) of section five thousand three hundred three 12 this chapter) and one hundred dollars for collision insurance cover-13 of 14 age except that window glass coverage may be sold without a deductible. 15 Each insurer which offers physical damage insurance subject to the provisions of this section shall also offer physical damage coverages 16 17 with co-insurance or deductible provisions or combinations thereof as the superintendent may prescribe, including but not limited to deduct-18 19 ibles of two hundred fifty dollars, five hundred dollars and one thou-20 sand dollars.

(2) NOTWITHSTANDING THE DOLLAR LIMITS FOR DEDUCTIBLES IN PARAGRAPH ONE 21 22 OF THIS SUBSECTION, AN INSURER WHICH OFFERS PHYSICAL DAMAGE INSURANCE 23 SUBJECT PROVISIONS OF THIS SECTION MAY OFFER A REDUCED DOLLAR ΤO THE 24 DEDUCTIBLE, A ZERO DOLLAR DEDUCTIBLE OR A DEDUCTIBLE THAT DIMINISHES 25 OVER TIME AND MAY ULTIMATELY BE REDUCED TO ZERO DOLLARS. S 2. This act shall take effect immediately. 26

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

LBD09343-01-5