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

7742

2015-2016 Regular Sessions

I N A S S E M B L Y

May 26, 2015

Introduced by M. of A. ZEBROWSKI -- read once and referred to the Committee on Labor

AN ACT to amend the workers' compensation law, in relation to the requirement for policyholders to provide 30-days notice to withdraw from the state insurance fund

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

Section 1. Subdivision a of section 94 of the workers' compensation law, as amended by chapter 635 of the laws of 1996, is amended to read as follows:

a. Any employer may, upon complying with subdivision two or three of section fifty of this chapter, withdraw from the fund by turning in his insurance contract for cancellation, [provided he has given written notice to the fund of his intention to withdraw not less than thirty days before the effective date of such cancellation] ALONG WITH WRITTEN NOTICE OF THE EFFECTIVE DATE OF THE CANCELLATION. Upon receipt of such notice the fund shall, at least ten days prior to the effective date file in the office of the chairman a notice of such cancellation date; HOWEVER, IF THE EMPLOYER HAS SECURED INSURANCE WITH ANOTHER INSURANCE CARRIER WHICH BECOMES EFFECTIVE PRIOR TO THE EXPIRATION OF THE TIME STATED IN SUCH WRITTEN NOTICE, THE CANCELLATION SHALL BE EFFECTIVE AS OF THE DATE OF SUCH OTHER COVERAGE.

[In no event shall the insurance contract be deemed cancelled until at least ten days after the date of such filing, any earlier date mentioned in the notice to the contrary notwithstanding.]

If an employer withdraws from the fund upon complying with subdivision two of section fifty of this chapter, the new insurance contract with the stock corporation, mutual corporation or reciprocal insurer shall be deemed not to take effect until the cancellation of such employer's contract with the state insurance fund has become effective.

S 2. This act shall take effect on the ninetieth day after it shall have become a law.

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

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