

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:

1 Section 1. The insurance law is amended by adding a new section 215 to
2 read as follows:
3 S 215. TASK FORCE ON DISASTERS. (A) THERE IS HEREBY CREATED A TASK
4 FORCE TO EXAMINE HOW INSURERS WHO WRITE POLICIES THAT COVER LOSS OF OR
5 DAMAGE TO REAL PROPERTY, PERSONAL PROPERTY, OR OTHER LIABILITIES FOR
6 LOSS OF, DAMAGE TO, OR INJURY TO PERSONS OR PROPERTY IN NEW YORK STATE
7 RESPOND TO DISASTERS, IN WHAT WAYS STATE AND LOCAL AGENCIES SUCH AS THE
8 DEPARTMENT OF FINANCIAL SERVICES AND THE DEPARTMENT OF HOMELAND SECURITY
9 AND EMERGENCY SERVICES CAN ASSIST IN SUCH RESPONSE AND WHETHER POLICY-
10 HOLDERS AND COMMUNITIES HAVE ADEQUATE INSURANCE.
11 (B) (1) THE TASK FORCE SHALL CONSIST OF TWENTY-THREE MEMBERS, ONE OF
12 WHOM SHALL BE THE SUPERINTENDENT OR HIS OR HER DESIGNATED REPRESENTATIVE,
13 ONE OF WHOM SHALL BE THE COMMISSIONER OF THE DEPARTMENT OF HOMELAND SECURITY
14 AND EMERGENCY SERVICES OR HIS OR HER DESIGNATED REPRESENTATIVE, FIVE OF
15 WHOM SHALL BE APPOINTED BY THE GOVERNOR, FIVE OF WHOM SHALL BE APPOINTED
16 BY THE GOVERNOR BASED UPON THE RECOMMENDATION OF THE SPEAKER OF THE ASSEMBLY,
17 FIVE OF WHOM SHALL BE APPOINTED BY THE GOVERNOR BASED UPON THE RECOMMENDATION
18 OF THE TEMPORARY PRESIDENT OF THE SENATE, THREE OF WHOM SHALL BE APPOINTED
19 BY THE GOVERNOR BASED UPON THE RECOMMENDATION OF THE MINORITY LEADER OF THE
20 ASSEMBLY, AND THREE OF WHOM SHALL BE APPOINTED BY THE GOVERNOR BASED UPON THE
21 RECOMMENDATION OF THE MINORITY LEADER OF THE SENATE.
22 (2) THE APPOINTEES SHALL INCLUDE REPRESENTATIVES OF THE FOLLOWING:
23 (A) FOUR INSURERS WHO WRITE POLICIES THAT COVER LOSS OF OR DAMAGE TO
24 REAL PROPERTY, PERSONAL PROPERTY, OR OTHER LIABILITIES FOR LOSS OF,
25

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

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

4 (B) TEN LOCAL OFFICIALS WHO RESPOND TO DISASTERS AND EMERGENCIES,
5 INCLUDING POLICE OFFICIALS, PROFESSIONAL AND VOLUNTEER FIRE AND EMERGEN-
6 CY SERVICES PERSONNEL, AND LOCAL OFFICIALS RESPONSIBLE FOR THE COORDI-
7 NATION OF EMERGENCY SERVICES AND THE LOCALITY'S RESPONSE TO A DISASTER
8 OR EMERGENCY. THESE APPOINTMENTS SHALL REFLECT THE GEOGRAPHIC DIVERSITY
9 OF THE STATE AND INCLUDE REPRESENTATIVES FROM LOCALITIES WITH VARYING
10 POPULATION DENSITIES. THESE APPOINTMENTS SHALL ALSO INCLUDE REPRESENT-
11 TIVES FROM THE FOLLOWING REGIONS: NEW YORK CITY, LONG ISLAND, MID-HUD-
12 SON, CAPITAL REGION, NORTH COUNTRY, MOHAWK VALLEY, SOUTHERN TIER,
13 CENTRAL NEW YORK, FINGER LAKES, AND WESTERN NEW YORK.

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

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

16 (E) TWO CONSUMER ADVOCACY GROUPS.

17 (F) ONE INDEPENDENT INSURANCE AGENT WHO OBTAINS COVERAGE FOR POLICY
18 HOLDERS FOR LOSS OF OR DAMAGE TO REAL PROPERTY, PERSONAL PROPERTY, OR
19 OTHER LIABILITIES FOR LOSS OF, DAMAGE TO, OR INJURY TO PERSONS OR PROP-
20 ERTY.

21 (3) RECOMMENDATIONS AND APPOINTMENTS SHALL TAKE INTO CONSIDERATION THE
22 EXPERTISE OF OTHER APPOINTEES, SO THAT THE TASK FORCE REFLECTS A DIVER-
23 SITY OF EXPERIENCE.

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

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

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

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

43 (1) STEPS INSURERS CURRENTLY TAKE IN ORDER TO RESPOND TO DISASTER-RE-
44 LATED CLAIMS IN A TIMELY FASHION;

45 (2) CHALLENGES INSURERS EXPERIENCE WHEN RESPONDING TO DISASTERS;

46 (3) STEPS INSURERS CURRENTLY TAKE TO ADEQUATELY ASSESS DAMAGE SO THAT
47 HOMEOWNERS AND MUNICIPALITIES CAN REMOVE DEBRIS AND MAKE REPAIRS QUICK-
48 LY;

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

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

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

1 (7) STEPS INSURERS CAN TAKE IF THEIR EMPLOYEES ARE AFFECTED BY A
2 DISASTER IN ORDER TO ENSURE THAT THEY ARE STILL ABLE TO RESPOND TO
3 CLAIMS IN A TIMELY FASHION;
4 (8) WHETHER OR NOT NEW YORKERS HAVE ADEQUATE INSURANCE COVERAGE AND IF
5 NOT, IDENTIFYING WHAT BARRIERS EXIST THAT MAY PREVENT PEOPLE FROM
6 PURCHASING ADEQUATE COVERAGE;
7 (9) IDENTIFYING MEASURES TO ENCOURAGE HOMEOWNERS AND BUSINESSES TO
8 PURCHASE FLOOD INSURANCE AS NEEDED;
9 (10) STEPS INSURERS TAKE TO PREVENT DISPUTES WITH POLICYHOLDERS AND TO
10 RESOLVE THOSE WHICH DO OCCUR AS WELL AS ADDITIONAL STEPS INSURERS CAN
11 TAKE;
12 (11) LEGISLATIVE ACTIONS THAT CAN BE CONSIDERED TO ADDRESS SUCH
13 ISSUES.
14 S 2. This act shall take effect immediately.