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

3860

2015-2016 Regular Sessions

I N S E N A T E

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:

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

(k) (1) Each insurer which offers physical damage insurance subject to the provisions of this section shall offer such insurance with a standard deductible of two hundred dollars for each occurrence. The insured shall, however, at the inception of the policy or at the annual anniversary date, or at the time of the replacement or addition of an automobile, have the option of purchasing a policy with a lesser deductible, but in no event may the insurer sell a policy with a deductible of less than fifty dollars for fire, theft or comprehensive insurance coverages (one hundred dollars for assigned risk policies issued pursuant to paragraph two of subsection (a) of section five thousand three hundred three of this chapter) and one hundred dollars for collision insurance coverage except that window glass coverage may be sold without a deductible. Each insurer which offers physical damage insurance subject to the provisions of this section shall also offer physical damage coverages with co-insurance or deductible provisions or combinations thereof as the superintendent may prescribe, including but not limited to deductibles of two hundred fifty dollars, five hundred dollars and one thousand dollars.

(2) NOTWITHSTANDING THE DOLLAR LIMITS FOR DEDUCTIBLES IN PARAGRAPH ONE OF THIS SUBSECTION, AN INSURER WHICH OFFERS PHYSICAL DAMAGE INSURANCE SUBJECT TO THE PROVISIONS OF THIS SECTION MAY OFFER A REDUCED DOLLAR DEDUCTIBLE, A ZERO DOLLAR DEDUCTIBLE OR A DEDUCTIBLE THAT DIMINISHES OVER TIME AND MAY ULTIMATELY BE REDUCED TO ZERO DOLLARS.

S 2. This act shall take effect immediately.

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

LBD09343-01-5