

5250

2015-2016 Regular Sessions

I N S E N A T E

May 11, 2015

Introduced by Sen. SEWARD -- read twice and ordered printed, and when printed to be committed 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:

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

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

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

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

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

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

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