

5647

2015-2016 Regular Sessions

I N S E N A T E

May 21, 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 permitting brokers to engage in certain activities in New York

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

1 Section 1. Section 2117 of the insurance law is amended by adding a
2 new subsection (k) to read as follows:
3 (K)(1) NOTWITHSTANDING SUBSECTION (A) OF THIS SECTION, ANY INSURANCE
4 BROKER LICENSED UNDER SUBPARAGRAPH (A) OF PARAGRAPH ONE OF SUBSECTION
5 (B) OF SECTION TWO THOUSAND ONE HUNDRED FOUR OF THIS ARTICLE WITH
6 RESPECT TO LIFE INSURANCE OR ANNUITIES, OR SUBPARAGRAPH (A) OR (B) OF
7 PARAGRAPH ONE OF SUBSECTION (B) OF SUCH SECTION WITH RESPECT TO ACCIDENT
8 AND HEALTH INSURANCE MAY ENGAGE IN THE ACTIVITIES SPECIFIED IN PARAGRAPH
9 TWO OF THIS SUBSECTION WITH RESPECT TO AN ALIEN INSURER NOT AUTHORIZED
10 TO DO AN INSURANCE BUSINESS IN THIS STATE, PROVIDED THAT:
11 (A) THE ACTIVITIES RELATE TO A POLICY OR CONTRACT OF GROUP LIFE, GROUP
12 ANNUITY, OR GROUP ACCIDENT AND HEALTH INSURANCE WHERE THE POLICYHOLDER
13 OR PROPOSED POLICYHOLDER IS A MULTINATIONAL ENTITY RESIDENT OUTSIDE THE
14 UNITED STATES, THE POLICY OR CONTRACT COVERS THE MULTINATIONAL ENTITY'S
15 EMPLOYEES AND THEIR DEPENDENTS, AND THE EMPLOYEES RESIDE OUTSIDE OF THE
16 UNITED STATES, EXCEPT THAT THE POLICY OR CONTRACT MAY PROVIDE COVERAGE
17 TO EMPLOYEES WHO ARE TEMPORARILY INSIDE THE UNITED STATES;
18 (B) THE POLICY OR CONTRACT SHALL NOT BE UNDERWRITTEN OR NEGOTIATED IN
19 THIS STATE OR ISSUED OR DELIVERED IN THE UNITED STATES;
20 (C) THE ALIEN INSURER IS AUTHORIZED TO TRANSACT THE KINDS OF INSURANCE
21 BUSINESS IN THE JURISDICTIONS WHERE THE POLICIES OR CONTRACTS WILL BE
22 ISSUED OR DELIVERED AND THE POLICIES OR CONTRACTS ARE ISSUED IN CONFORM-
23 ANCE WITH THE LAWS OF SUCH JURISDICTIONS;
24 (D) BEFORE ENGAGING IN ANY OF THE ACTIVITIES SPECIFIED IN PARAGRAPH
25 TWO OF THIS SUBSECTION, THE LICENSED INSURANCE BROKER PROVIDES WRITTEN

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

LBD11241-02-5

1 NOTICE TO THE MULTINATIONAL ENTITY THAT THE ALIEN INSURER IS NOT
2 LICENSED IN OR AUTHORIZED TO DO BUSINESS IN THIS STATE; THE POLICY OR
3 CONTRACT IS NOT PROTECTED BY THE NEW YORK STATE GUARANTY FUNDS; THE
4 POLICY OR CONTRACT HAS NOT BEEN APPROVED BY THE SUPERINTENDENT; AND THE
5 POLICY OR CONTRACT MAY NOT BE SUBJECT TO ALL OF THE LAWS OF THIS STATE;

6 (E) THE ALIEN INSURER SHALL NOT MAINTAIN ANY OFFICE IN THIS STATE; AND

7 (F) EXCEPT AS SPECIFICALLY PROVIDED IN THIS SECTION, THE LICENSED
8 INSURANCE BROKER SHALL NOT CALL ATTENTION TO THE ALIEN INSURER BY ANY
9 ADVERTISEMENT OR PUBLIC ANNOUNCEMENT IN THIS STATE.

10 (2) SUBJECT TO PARAGRAPH ONE OF THIS SUBSECTION, THE LICENSED INSUR-
11 ANCE BROKER MAY ENGAGE IN THIS STATE IN ONLY THE FOLLOWING ACTIVITIES
12 WITH RESPECT TO THE ALIEN INSURER:

13 (A) PROVIDE INFORMATION TO THE MULTINATIONAL ENTITY WITH RESPECT TO A
14 POLICY OR CONTRACT OF GROUP LIFE, GROUP ANNUITY, OR GROUP ACCIDENT AND
15 HEALTH INSURANCE ISSUED OR DELIVERED OR THAT WILL BE ISSUED OR DELIVERED
16 BY THE ALIEN INSURER;

17 (B) MEET AND DISCUSS INSURANCE NEEDS WITH THE MULTINATIONAL ENTITY,
18 INCLUDING PROVIDING INFORMATION DIRECTLY TO THE ENTITY IN PERSON OR
19 OTHERWISE ABOUT THE POLICIES OR CONTRACTS OFFERED BY THE ALIEN INSURER;
20 AND FACILITATING INTRODUCTIONS WITH THE MULTINATIONAL ENTITY'S HUMAN
21 RESOURCES AND BENEFITS MANAGER IN EACH COUNTRY IN WHICH THE MULTINA-
22 TIONAL ENTITY HAS EMPLOYEE BENEFIT NEEDS;

23 (C) REFER THE MULTINATIONAL ENTITY TO THE ALIEN INSURER AND PROVIDE
24 INFORMATION TO THE MULTINATIONAL ENTITY ABOUT THE ALIEN INSURER;

25 (D) RESPOND TO REQUESTS FOR INFORMATION BY REPRESENTATIVES OF THE
26 MULTINATIONAL ENTITY CONCERNING QUOTES AND ANY OTHER SPECIFIC TERMS AND
27 CONDITIONS OF A GROUP LIFE, GROUP ANNUITY, OR GROUP ACCIDENT AND HEALTH
28 INSURANCE POLICY OR CONTRACT BEING NEGOTIATED IN THE JURISDICTION WHERE
29 THE POLICY OR CONTRACT WILL BE ISSUED OR DELIVERED BY THE ALIEN INSURER;

30 (E) PROVIDE INFORMATION CONCERNING RENEWALS OF EXISTING POLICIES OR
31 CONTRACTS OF GROUP LIFE, GROUP ANNUITY, OR GROUP ACCIDENT AND HEALTH
32 INSURANCE ISSUED BY THE ALIEN INSURER; AND

33 (F) MANAGE THE EMPLOYEE BENEFITS PROGRAM OF THE MULTINATIONAL ENTITY,
34 INCLUDING AGGREGATING AND REPORTING EMPLOYEE BENEFITS AND FINANCIAL
35 INFORMATION ABOUT THE PROGRAM.

36 (3) ANY ACTIVITY IN WHICH A LICENSED INSURANCE BROKER ENGAGES WITH
37 RESPECT TO AN ALIEN INSURER PURSUANT TO THIS SUBSECTION SHALL BE DEEMED
38 TO BE INCLUDED WITHIN THE MEANING OF "ANY OTHER TRANSACTION OF BUSINESS"
39 FOR THE PURPOSES OF SECTION ONE THOUSAND TWO HUNDRED THIRTEEN OF THIS
40 ARTICLE.

41 (4) FOR PURPOSES OF THIS SUBSECTION:

42 (A) "MULTINATIONAL ENTITY" SHALL MEAN AN INSTITUTION THAT IS A MEMBER
43 OF A MULTINATIONAL GROUP OF INSTITUTIONS OPERATING GLOBALLY WHERE: (I)
44 AT LEAST ONE INSTITUTION IN THE GROUP IS FORMED UNDER THE LAWS OF THE
45 UNITED STATES OR HAS SIGNIFICANT OPERATIONS IN THE UNITED STATES; AND
46 (II) AT LEAST ONE INSTITUTION IN THE GROUP HAS OFFICES OUTSIDE THE
47 UNITED STATES; AND

48 (B) "GROUP OF INSTITUTIONS" SHALL MEAN A PARENT CORPORATION AND ITS
49 SUBSIDIARIES.

50 S 2. Subparagraph (H) of paragraph 2 of subsection (b) of section 1101
51 of the insurance law, as amended by section 2 of part I of chapter 61 of
52 the laws of 2011, is amended to read as follows:

53 (H) transactions with respect to insurance contracts negotiated or
54 placed pursuant OR OTHERWISE SUBJECT to subsection (b), (c), [or] (j) OR
55 (K) of section two thousand one hundred seventeen of this chapter;

56 S 3. This act shall take effect immediately.