

STATE OF NEW YORK

8932

IN ASSEMBLY

January 8, 2018

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

AN ACT to amend the workers' compensation law, in relation to conditional renewal notices to policyholders

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Paragraph (b) of subdivision 5 of section 54 of the work-
2 ers' compensation law, as added by chapter 469 of the laws of 2017, is
3 amended to read as follows:

4 (b) Conditional renewal for carriers under common control. A contract
5 of insurance shall remain in full force and effect subject to the same
6 [~~terms and conditions, loss cost multipliers and classification of the~~
7 ~~employer with regard to the payment of dividends, pursuant to sections~~
8 ~~four thousand one hundred six and four thousand one hundred fourteen of~~
9 ~~the insurance law]~~ rates as the expiring contract of insurance rates,
10 unless written notice is mailed or delivered by the insurance carrier to
11 the employer, at the address shown on the policy, and to such employer's
12 authorized agent or broker, indicating the insurance carrier's intention
13 to condition renewal upon issuance of a policy that supersedes a policy
14 previously issued by another insurance carrier under common control that
15 will result in an increased premium in excess of ten percent (exclusive
16 of any premium increase generated as a result of increased loss costs
17 filed and approved in accordance with subsection (e) of section two
18 thousand three hundred five of the insurance law, increased exposure
19 units, or as a result of experience rating, contractor credit adjustment
20 program, [~~drug free credit, merit rating, managed care credit, large~~
21 ~~deductible, retrospective rating or audit]~~ merit rating, retrospective
22 rating or audit or removal or reduction of a drug free credit, managed
23 care credit, or deductible. Such notice shall be mailed or delivered at
24 least thirty days in advance of the expiration date of the policy, and
25 shall set forth the amount of the premium increase (or, where such
26 amount cannot reasonably be determined as of the time the notice is
27 provided due to failure of the policyholder to provide to the insurance
28 carrier the information necessary to determine the premium, a reasonable

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

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1 estimate of the premium increase based upon the information available to
2 the insurance carrier at that time). Nothing in this subdivision [~~will~~]
3 shall require the insurance carrier to provide such notice when the
4 employer, an agent or broker authorized by the employer, or another
5 insurance carrier of the employer has mailed or delivered written notice
6 that the policy has been replaced or is no longer desired.

7 § 2. This act shall take effect on the same date and in the same
8 manner as chapter 469 of the laws of 2017 takes effect.