

STATE OF NEW YORK

428

2017-2018 Regular Sessions

IN SENATE

(Prefiled)

January 4, 2017

Introduced by Sens. SEWARD, GALLIVAN -- 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 Assem-
bly, 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. Upon receipt of
9 such notice the fund shall, at least ten days prior to the effective
10 date file in the office of the chairman a notice of such cancellation
11 date. In the event that an employer intends to withdraw from the fund
12 and has secured insurance with another insurance carrier, the employer
13 shall provide written notice to the fund which shall include their
14 intention to withdraw, demonstration that the employer has secured a new
15 insurance policy and the effective date of cancellation which shall be
16 the date of when such other coverage becomes effective.

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

20 If an employer withdraws from the fund upon complying with subdivision
21 two of section fifty of this chapter, the new insurance contract with
22 the stock corporation, mutual corporation or reciprocal insurer shall be

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

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1 deemed not to take effect until the cancellation of such employer's
2 contract with the state insurance fund has become effective.
3 § 2. This act shall take effect on the ninetieth day after it shall
4 have become a law.