STATE OF NEW YORK

10903

IN ASSEMBLY

August 17, 2020

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Carroll) -- read once and referred to the Committee on Insurance

AN ACT in relation to requiring insurers to make insurance premium refunds and other adjustments to all policyholders adversely impacted by COVID-19

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

Section 1. Notwithstanding any provisions of law, rule or regulation to the contrary, the department of financial services is authorized and directed to require insurers to make initial premium refund or other adjustments to all adversely impacted New York policyholders. Such refund or adjustment shall be for each month during the declared state emergency due to the coronavirus disease 2019 (COVID-19) pandemic beginning March 7, 2020 and apply to the following lines of insurance:

1. Private passenger automobile insurance;
2. Commercial automobile insurance;
3. Workers' compensation insurance;
4. Commercial multiple-peril insurance;
5. Commercial liability insurance;
6. Medical malpractice insurance; and
7. Any other line of coverage where the measures of risk have become substantially overstated as a result of the coronavirus disease 2019 (COVID-19) pandemic.

§ 2. Insurers shall comply with the mandated premium refund to policyholders by providing a premium credit, reduction, return of premium, dividend or other appropriate premium adjustment, based on reclassification of exposures to comport with current exposure, or a reduction of the exposure base to reflect actual or anticipated exposure.

§ 3. Insurers shall provide such refund or other adjustments to policyholders no later than 30 days after the effective date of this act.

§ 4. This act shall take effect immediately, and shall be deemed to have been in full force and effect on and after March 7, 2020 and shall apply to insurance policies in force on and after that date.

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

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