

# STATE OF NEW YORK

4813

2019-2020 Regular Sessions

## IN ASSEMBLY

February 5, 2019

Introduced by M. of A. COLTON, PALMESANO, PERRY, BARRON, COOK, L. ROSEN-  
THAL, D'URSO, M. G. MILLER, ENGLEBRIGHT, ORTIZ, SANTABARBARA, HYNDMAN,  
RIVERA -- read once and referred to the Committee on Insurance

AN ACT to amend the insurance law, in relation to establishing residen-  
tial home safety and loss prevention courses and providing for an  
associated reduction in certain insurance premiums and providing for  
the repeal of such provisions upon expiration thereof

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

Section 1. Section 2346 of the insurance law is amended by adding a  
new subsection 6 to read as follows:

6. The superintendent shall provide for an actuarially appropriate  
reduction in the rates of fire insurance premiums or homeowners insur-  
ance premiums applicable to residential real property for any insured  
for a three year period after successfully completing a residential home  
safety and loss prevention course certified pursuant to section two  
thousand three hundred forty-six-b of this article.

§ 2. The insurance law is amended by adding a new section 2346-b to  
read as follows:

§ 2346-b. Certification of residential home safety and loss prevention  
courses. (a) The department, in consultation with the office of fire  
prevention and control of the division of homeland security and emergen-  
cy services and any additional state entity it deems appropriate, shall  
certify all residential home safety and loss prevention courses that are  
authorized to offer classes through which the insured shall be eligible  
to receive an insurance premium reduction pursuant to subsection six of  
section two thousand three hundred forty-six of this article.

(b) For the purposes of this section:

(1) "residential home safety and loss prevention course" or "course"  
shall mean an instructional program that presents information and meth-  
ods that can help an insured to significantly prevent or minimize

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

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1 personal injuries and property losses in residential real property due  
2 to the occurrence of fire, theft, burglary, accidents and weather  
3 related events, including, but not limited to, how to mitigate property  
4 damage from hurricanes, ice storms, tornadoes and other natural disas-  
5 ters; and

6 (2) "course sponsor" shall mean any individual, company or organiza-  
7 tion that has developed or owns a residential home safety and loss  
8 prevention course and all agents of such sponsor including independent  
9 contractors that conduct classes for such sponsor and class instructors.

10 (c) The department shall promulgate such rules and regulations as are  
11 necessary to implement the provisions of this section. Such rules shall,  
12 at a minimum, provide for:

13 (1) course sponsor application procedures that an applicant shall  
14 follow to obtain course certification approval;

15 (2) curriculum standards that the course sponsors and instructors  
16 shall utilize, based upon submissions from any course sponsor as defined  
17 in paragraph two of subsection (b) of this section, including teaching  
18 methods and time requirements which shall be in excess of three hours;

19 (3) standards, based upon submissions from any course sponsor as  
20 defined in paragraph two of subsection (b) of this section, that course  
21 sponsors shall satisfy to ensure that class instructors are adequately  
22 trained;

23 (4) a demonstration by the course sponsor that successfully completing  
24 such course will significantly reduce fire, theft, liability and weather  
25 related losses in the residence;

26 (5) standards, based upon submissions from any course sponsor as  
27 defined in paragraph two of subsection (b) of this section, to ensure  
28 that individuals that complete such course shall receive certificates  
29 that can be submitted to an insurer to demonstrate successful completion  
30 of the class. Such certificates of completion shall be tamper proof and  
31 designed so that they can not be fraudulently reproduced or forged by an  
32 unauthorized issuer; and

33 (6) procedures for on-going surveillance of course presentation and  
34 administration to ensure that the insurance premium reduction awarded  
35 is, and continues to be, proportionally related to the actuarially  
36 calculable decrease in losses attributable to the course.

37 (d) The department is authorized to suspend or revoke the certificate  
38 of approval of any course sponsor if the department determines that such  
39 sponsor has violated the provisions of this section or has misrepre-  
40 sented information on the initial application or in periodic reports  
41 submitted to the department.

42 (e) The department may increase or decrease the insurance premium  
43 discount awarded to such course if it is found that such discount is not  
44 actuarially appropriate.

45 § 3. Not less than 180 days before the expiration of the provision of  
46 this act, the superintendent of financial services shall issue a report  
47 to the governor, temporary president of the senate, speaker of the  
48 assembly, and the chairs of the committees on insurance of the senate  
49 and assembly stating his or her findings on the effect of residential  
50 home safety and loss prevention courses in reducing homeowners insurance  
51 claims.

52 § 4. This act shall take effect on the one hundred eightieth day after  
53 it shall have become a law and shall expire and be deemed repealed 5  
54 years after such effective date; provided, however, any rules or regu-  
55 lations necessary for the timely implementation of the provisions of  
56 this act shall be promulgated on or before such date.