

# STATE OF NEW YORK

7333

2019-2020 Regular Sessions

## IN ASSEMBLY

April 25, 2019

Introduced by M. of A. JEAN-PIERRE -- read once and referred to the  
Committee on Transportation

AN ACT to amend the vehicle and traffic law and the insurance law, in  
relation to requiring limousines operating in this state to adopt  
certain safety measures and be properly insured

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

1 Section 1. Paragraph (a) of subdivision 4 of section 311 of the vehi-  
2 cle and traffic law, as amended by chapter 305 of the laws of 1995, is  
3 amended to read as follows:  
4 (a) Affording coverage as defined in the minimum provisions prescribed  
5 in a regulation which shall be promulgated by the superintendent at  
6 least ninety days prior to effective date of this act. The superinten-  
7 dent before promulgating such regulations or any amendment thereof,  
8 shall consult with all insurers licensed to write automobile liability  
9 insurance in this state and shall not prescribe minimum provisions which  
10 fail to reflect the provisions of automobile liability insurance poli-  
11 cies, other than motor vehicle liability policies as defined in section  
12 three hundred forty-five of this [~~chapter~~ **title**, issued within this  
13 state at the date of such regulation or amendment thereof. Nothing  
14 contained in such regulation or in this article shall prohibit any  
15 insurer from affording coverage under an owner's policy of liability  
16 insurance more liberal than that required by said minimum provisions.  
17 Every such owner's policy of liability insurance shall provide insurance  
18 subject to said regulation against loss from the liability imposed by  
19 law for damages, including damages for care and loss of services,  
20 because of bodily injury to or death of any person and injury to or  
21 destruction of property arising out of the ownership, maintenance, use,  
22 or operation of a specific motor vehicle or motor vehicles within the  
23 state of New York, or elsewhere in the United States in North America or  
24 the Dominion of Canada, subject to a limit, exclusive of interest and

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

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1 costs, with respect to each such motor vehicle except a tow truck or  
2 limousine, of twenty-five thousand dollars because of bodily injuries to  
3 and fifty thousand dollars because of death of one person in any one  
4 accident and, subject to said limit for one person, to a limit of fifty  
5 thousand dollars because of bodily injury to and one hundred thousand  
6 dollars because of death of two or more persons in any one accident, and  
7 to a limit of ten thousand dollars because of injury to or destruction  
8 of property of others in any one accident provided, however, that such  
9 policy need not be for a period coterminous with the registration period  
10 of the vehicle insured. The limit, exclusive of interest and costs, with  
11 respect to a tow truck shall be a combined single limit of at least  
12 three hundred thousand dollars because of bodily injury or death to one  
13 or more persons or because of injury or destruction of property of  
14 others in any one accident, and to a limit of twenty-five thousand  
15 dollars because of damage to a vehicle in the care, custody and control  
16 of the insured. The limit, exclusive of interests and costs, with regard  
17 to a limousine shall be a combined single limit of at least one million  
18 five hundred thousand dollars because of bodily injury or death to one  
19 or more persons or because of injury or destruction of property in any  
20 one accident, or the limit required by local law or regulation, whichever  
21 is greater. Any insurer authorized to issue an owner's policy of  
22 liability insurance as provided for in this article may, pending the  
23 issue of such a policy, make an agreement, to be known as a binder, or  
24 may, in lieu of such a policy, issue a renewal endorsement or evidence  
25 of renewal of an existing policy; each of which shall be construed to  
26 provide indemnity or protection in like manner and to the same extent as  
27 such a policy. The provisions of this article shall apply to such bind-  
28 ers, renewal endorsements or evidences of renewal. Every such policy  
29 issued insuring private passenger vehicles and every renewal policy,  
30 renewal endorsement, or other evidence of renewal issued shall have  
31 attached thereto a rating information form which clearly specifies and  
32 defines the rating classification assigned thereto, including any appli-  
33 cable merit rating plan; and

34 § 2. Section 311 of the vehicle and traffic law is amended by adding a  
35 new subdivision 11 to read as follows:

36 11. "Limousine" means a livery vehicle that has a seating capacity of  
37 eight or more passengers and which provides prearranged passenger trans-  
38 portation on a dedicated, nonscheduled, charter basis, where the charge  
39 is based on a flat rate or per unit of time or mileage, or a vehicle  
40 classified as a luxury limousine as defined by the taxi and limousine  
41 commission of New York city or Westchester county or licensed by a muni-  
42 cipality of Nassau county and registered with Nassau county. Service by  
43 a limousine that begins and ends in this state is deemed intra-state  
44 even if it passes outside this state during a portion of the trip. This  
45 does not include a taxicab that is not operated on a regular route or  
46 between specified points, a vehicle carrying less than sixteen individ-  
47 uals in a single daily round trip to commute to and from work, or a  
48 motor vehicle transporting only school children and teachers to or from  
49 a school or an extracurricular activity organized and funded by a school  
50 district.

51 § 3. Section 312 of the vehicle and traffic law is amended by adding a  
52 new subdivision 6 to read as follows:

53 6. (a) No limousine shall operate as such in this state unless, upon  
54 the registration of the limousine with the department, the application  
55 for such registration is accompanied by proof of financial security  
56 required by section three hundred eleven of this article which shall be

1 evidence by proof of insurance or evidence of a financial security bond,  
2 a financial security deposit or qualification as a self-insurer under  
3 section three hundred sixteen of this article; provided, that if  
4 directed by regulation of the commissioner, upon renewal of registration  
5 an application accompanied by a certificate of registration or renewal  
6 stub in force immediately preceding the date of application for renewal,  
7 together with a statement in a form prescribed by the commissioner  
8 certifying that there is in effect proof of financial security, shall  
9 meet the requirements of this section.

10 (b) The owner, and registrant if the registrant is different from the  
11 owner, of such limousine shall maintain proof of financial security  
12 continuously throughout the registration period, and failure to produce  
13 proof of financial security when requested to do so upon demand of a  
14 magistrate, motor vehicle inspector, peace officer acting pursuant to  
15 his or her special duties, or police officer, while such vehicle is  
16 being operated upon the public highways of this state, shall be presump-  
17 tive evidence of operating a motor vehicle without proof of financial  
18 security. Upon the production of proof of financial security such  
19 presumption is removed. Production of proof of financial security may be  
20 made by mailing such proof to the court having jurisdiction in the  
21 matter, and any necessary response by such court or acknowledgment of  
22 the production of such proof may also be made by mail.

23 (c) When insurance with respect to any limousine is terminated or  
24 canceled, the owner shall surrender forthwith the registration certif-  
25 icate and number plates of the vehicle to the commissioner unless proof  
26 of financial security otherwise is maintained in compliance with this  
27 article and section three hundred seventy of this title.

28 (d) Where the owner of a limousine fails to maintain the proof of  
29 financial security required by this section, if the owner of any limou-  
30 sine is a corporation, limited liability corporation, or other business  
31 entity, the officers of such corporation or entity may be held  
32 personally liable for any judgment entered against any driver and/or  
33 registrant of the limousine for damages sustained as a result of  
34 personal injury, wrongful death and/or property damage suffered as a  
35 result of the use and operation of the limousine.

36 § 4. Paragraph 3 of subdivision (b) of section 345 of the vehicle and  
37 traffic law, as amended by chapter 305 of the laws of 1995, is amended  
38 to read as follows:

39 (3) Shall insure the insured, the vehicle operator, or such other  
40 person against loss from the liability imposed by law for damages,  
41 including damages for care and loss of services because of bodily injury  
42 to or death of any person and injury to or destruction of property aris-  
43 ing out of the ownership, maintenance, use, or operation of such motor  
44 vehicle or motor vehicles within the state of New York, or elsewhere in  
45 the United States in North America or the Dominion of Canada, subject to  
46 a limit, exclusive of interest and cost, with respect to each such motor  
47 vehicle, except a tow truck or a limousine as defined in subdivision  
48 eleven of section three hundred eleven of this title, of twenty-five  
49 thousand dollars because of bodily injury to or fifty thousand dollars  
50 because of death of one person in any one accident and, subject to said  
51 limit for one person, to a limit of fifty thousand dollars because of  
52 bodily injury to or one hundred thousand dollars because of death of two  
53 or more persons in any one accident, and to a limit of ten thousand  
54 dollars because of injury to or destruction of property of others in any  
55 one accident. The limit, exclusive of interest and costs, with respect  
56 to a tow truck shall be a combined single limit of three hundred thou-

1 sand dollars because of bodily injury [~~of~~ or death to one or more  
2 persons or because of injury or destruction of property of others in any  
3 one accident, and to a limit of twenty-five thousand dollars because of  
4 damage to a vehicle in the care, custody and control of the insured. The  
5 limit, exclusive of interest and costs, with respect to a limousine as  
6 defined in subdivision eleven of section three hundred eleven of this  
7 title shall be a combined single limit of at least one million five  
8 hundred thousand dollars because of bodily injury or death to one or  
9 more persons or because of injury or destruction of property of others  
10 in any one accident, or the limit required by local law or regulation,  
11 whichever is greater.

12 § 5. Paragraphs (a) and (b) of subdivision 1 of section 370 of the  
13 vehicle and traffic law, paragraph (a) as amended by chapter 305 of the  
14 laws of 1995 and paragraph (b) as amended by chapter 613 of the laws of  
15 2002, are amended to read as follows:

16 (a) For damages for and incident to death or injuries to persons: For  
17 each motorcycle and for each motor vehicle which is intended pursuant to  
18 this subdivision to be operated in a business of carrying or transport-  
19 ing passengers for hire having a seating capacity of not more than seven  
20 passengers, a bond or insurance policy with a minimum liability of twen-  
21 ty-five thousand dollars and a maximum liability of fifty thousand  
22 dollars for bodily injury, and a minimum liability of fifty thousand  
23 dollars and a maximum liability of one hundred thousand dollars for  
24 death; for each motor vehicle which is intended pursuant to this subdivi-  
25 vision to be operated in a business of carrying or transporting passen-  
26 gers for hire having a seating capacity of not less than eight nor more  
27 than [~~twelve~~ fourteen passengers, a bond or insurance policy with a  
28 [~~minimum liability~~ combined single limit of [~~twenty-five~~ at least one  
29 million five hundred thousand dollars [~~and a maximum liability of eighty~~  
30 ~~thousand dollars~~] for bodily injury[, ~~and a minimum liability of fifty~~  
31 ~~thousand dollars and a maximum liability of one hundred fifty thousand~~  
32 ~~dollars for~~] or death to one or more persons because of injury or  
33 destruction of property in any one accident, or the limit required by  
34 local law or regulation, whichever is greater; [~~for each motor vehicle~~  
35 ~~having a seating capacity of not less than thirteen nor more than twenty~~  
36 ~~passengers, a bond or insurance policy with a minimum liability of twenty~~  
37 ~~five thousand dollars and a maximum liability of one hundred twenty~~  
38 ~~thousand dollars for bodily injury and a minimum liability of fifty~~  
39 ~~thousand dollars and a maximum liability of one hundred fifty thousand~~  
40 ~~dollars for death; for each motor vehicle having a seating capacity of~~  
41 ~~not less than twenty one nor more than thirty passengers, a bond or~~  
42 ~~insurance policy with a minimum liability of twenty five thousand~~  
43 ~~dollars and a maximum liability of one hundred sixty thousand dollars~~  
44 ~~for bodily injury and a minimum liability of fifty thousand dollars and~~  
45 ~~a maximum liability of two hundred thousand dollars for death; for each~~  
46 ~~motor vehicle having a seating capacity of more than thirty passengers,~~  
47 ~~a bond or insurance policy with a minimum liability of twenty five thou-~~  
48 ~~sand dollars and a maximum liability of two hundred thousand dollars for~~  
49 ~~bodily injury and a minimum liability of fifty thousand dollars and a~~  
50 ~~maximum liability of two hundred fifty thousand dollars for death;]~~

51 (b) For damages for and incident to injury to or destruction of prop-  
52 erty; for each motor vehicle and each motorcycle having a seating capac-  
53 ity of fewer than eight passengers, a bond or insurance policy with a  
54 minimum liability of ten thousand dollars.

55 Such bond or policy of insurance shall contain a provision for a  
56 continuing liability thereunder, notwithstanding any recovery thereon.

1 Any such bond or policy of insurance shall also contain a provision that  
2 such bond or policy of insurance shall inure to the benefit of any  
3 person legally operating the motor vehicle or motorcycle in the business  
4 of the owner and with his permission, in the same manner and under the  
5 same conditions and to the same extent as to the owner. If at any time,  
6 in the judgment of the commissioner, such bond or policy is not suffi-  
7 cient for any cause the commissioner may require the owner of such motor  
8 vehicle or motorcycle to replace such bond or policy with another  
9 approved by the commissioner. A corporate surety or an insurance company  
10 evidence of whose bond or policy has been so filed, must file a notice  
11 in the office of the commissioner that upon the expiration of twenty  
12 days from such filing such surety will cease to be liable upon such  
13 bond, or in the case of such insurance company, that upon the expiration  
14 of such time such policy will be cancelled; provided, however, that  
15 where the owner of such motor vehicle or motorcycle has replaced cover-  
16 age with another insurer, the expiration date shall be the date the new  
17 coverage has commenced; further provided that where such owner has had a  
18 total loss, the expiration date shall be the earlier of twenty days or  
19 when the plates have been turned in to the commissioner. The commis-  
20 sioner shall thereupon notify the owner of such motor vehicle or motorcycle  
21 of the filing of such notice, and unless such owner shall file a new  
22 bond or evidence of new bond or policy, as provided by this section, on  
23 or before such date as shall be specified by the commissioner, or shall  
24 place the number plates belonging to the motor vehicle or motorcycle in  
25 the custody of the commissioner or his agent within such time, to remain  
26 in such custody until a new bond or evidence of a new bond or policy is  
27 filed, the registration of such motor vehicle or motorcycle shall be  
28 revoked as of the date specified in said notice of the commissioner and  
29 no new registration shall be issued for a period of thirty days. Forth-  
30 with after his registration has been so revoked such owner shall return  
31 the number plates issued for such vehicle to the commissioner. The  
32 provisions of subdivision seven of section five hundred ten of this  
33 chapter shall apply to such revocations.

34 Notwithstanding any contrary provision of this chapter, any such bond,  
35 or policy of insurance shall also provide for uninsured motorists cover-  
36 age in the minimal amount and in the form provided for in subsection (f)  
37 of section three thousand four hundred twenty of the insurance law.

38 Nothing in this subdivision shall be construed to prevent compliance  
39 therewith by filing a combination of bonds or policies or of a bond and  
40 policy or evidence thereof if the commissioner approves and the require-  
41 ments of this subdivision are otherwise met.

42 § 6. Paragraph 1 and subparagraph (A) of paragraph 2 of subsection (f)  
43 of section 3420 of the insurance law, paragraph 1 as amended by chapter  
44 305 of the laws of 1995 and subparagraph (A) of paragraph 2 as separate-  
45 ly amended by chapters 547 and 568 of the laws of 1997, are amended to  
46 read as follows:

47 (1) No policy insuring against loss resulting from liability imposed  
48 by law for bodily injury or death suffered by any natural person arising  
49 out of the ownership, maintenance and use of a motor vehicle or limou-  
50 sine, as such term is defined in subdivision eleven of section three  
51 hundred eleven of the vehicle and traffic law, by the insured shall be  
52 issued or delivered by any authorized insurer upon any motor vehicle or  
53 limousine, as such term is defined in subdivision eleven of section  
54 three hundred eleven of the vehicle and traffic law, then principally  
55 garaged or principally used in this state unless it contains a provision  
56 whereby the insurer agrees that it will pay to the insured, as defined

1 in such provision, subject to the terms and conditions set forth therein  
2 to be prescribed by the board of directors of the Motor Vehicle Accident  
3 Indemnification Corporation and approved by the superintendent, all  
4 sums, not exceeding a maximum amount or limit of twenty-five thousand  
5 dollars exclusive of interest and costs, on account of injury to and all  
6 sums, not exceeding a maximum amount or limit of fifty thousand dollars  
7 exclusive of interest and costs, on account of death of one person, in  
8 any one accident, and the maximum amount or limit, subject to such limit  
9 for any one person so injured of fifty thousand dollars or so killed of  
10 one hundred thousand dollars, exclusive of interest and costs, on  
11 account of injury to, or death of, more than one person in any one acci-  
12 dent, which the insured or his legal representative shall be entitled to  
13 recover as damages from an owner or operator of an uninsured motor vehi-  
14 cle, unidentified motor vehicle which leaves the scene of an accident, a  
15 motor vehicle registered in this state as to which at the time of the  
16 accident there was not in effect a policy of liability insurance, a  
17 stolen vehicle, a motor vehicle operated without permission of the  
18 owner, an insured motor vehicle where the insurer disclaims liability or  
19 denies coverage or an unregistered vehicle because of bodily injury,  
20 sickness or disease, including death resulting therefrom, sustained by  
21 the insured, caused by accident occurring in this state and arising out  
22 of the ownership, maintenance or use of such motor vehicle. No payment  
23 for non-economic loss shall be made under such policy provision to a  
24 covered person unless such person has incurred a serious injury, as such  
25 terms are defined in section five thousand one hundred two of this chap-  
26 ter. Such policy shall not duplicate any element of basic economic loss  
27 provided for under article fifty-one of this chapter. No payments of  
28 first party benefits for basic economic loss made pursuant to such arti-  
29 cle shall diminish the obligations of the insurer under this policy  
30 provision for the payment of non-economic loss and economic loss in  
31 excess of basic economic loss. Notwithstanding any inconsistent  
32 provisions of section three thousand four hundred twenty-five of this  
33 article, any such policy which does not contain the aforesaid provisions  
34 shall be construed as if such provisions were embodied therein.

35 (A) Any such policy shall, at the option of the insured, also provide  
36 supplementary uninsured/underinsured motorists insurance for bodily  
37 injury, in an amount up to the bodily injury liability insurance limits  
38 of coverage provided under such policy, subject to a maximum of two  
39 hundred fifty thousand dollars because of bodily injury to or death of  
40 one person in any one accident and, subject to such limit for one  
41 person, up to five hundred thousand dollars because of bodily injury to  
42 or death of two or more persons in any one accident, or a combined  
43 single limit policy of five hundred thousand dollars because of bodily  
44 injury to or death of one or more persons in any one accident; and any  
45 such policy insuring against loss resulting from liability imposed by  
46 law for bodily injury or death suffered by any natural person arising  
47 out of the ownership, maintenance, and use of a limousine, as such term  
48 is defined in subdivision eleven of section three hundred eleven of the  
49 vehicle and traffic law, shall provide supplementary  
50 uninsured/underinsured motorists insurance for bodily injury, in an  
51 amount of a combined single limit of one million five hundred thousand  
52 dollars because of bodily injury or death of one or more persons in any  
53 one accident. Provided however, an insurer issuing any such policy,  
54 except a policy insuring against loss resulting from liability imposed  
55 by law for bodily injury or death suffered by any natural person arising  
56 out of the ownership, maintenance, and use of a limousine, as such term

1 is defined in subdivision eleven of section three hundred eleven of the  
2 vehicle and traffic law, in lieu of offering to the insured the cover-  
3 ages stated above, may provide supplementary uninsured/underinsured  
4 motorists insurance for bodily injury, in an amount up to the bodily  
5 injury liability insurance limits of coverage provided under such poli-  
6 cy, subject to a maximum of one hundred thousand dollars because of  
7 bodily injury to or death of one person in any one accident and, subject  
8 to such limit for one person, up to three hundred thousand dollars  
9 because of bodily injury to or death of two or more persons in any one  
10 accident, or a combined single limit policy of three hundred thousand  
11 dollars because of bodily injury to or death of one or more persons in  
12 any one accident, if such insurer also makes available a personal  
13 umbrella policy with liability coverage limits up to at least five  
14 hundred thousand dollars which also provides coverage for supplementary  
15 uninsured/underinsured motorists claims. Supplementary  
16 uninsured/underinsured motorists insurance shall provide coverage, in  
17 any state or Canadian province, if the limits of liability under all  
18 bodily injury liability bonds and insurance policies of another motor  
19 vehicle liable for damages are in a lesser amount than the bodily injury  
20 liability insurance limits of coverage provided by such policy. Upon  
21 written request by any insured covered by supplemental  
22 uninsured/underinsured motorists insurance or his duly authorized repre-  
23 sentative and upon disclosure by the insured of the insured's bodily  
24 injury and supplemental uninsured/underinsured motorists insurance  
25 coverage limits, the insurer of any other owner or operator of another  
26 motor vehicle against which a claim has been made for damages to the  
27 insured shall disclose, within forty-five days of the request, the bodi-  
28 ly injury liability insurance limits of its coverage provided under the  
29 policy or all bodily injury liability bonds. The time of the insured to  
30 make any supplementary uninsured/underinsured motorist claim, shall be  
31 tolled during the period the insurer of any other owner or operator of  
32 another motor vehicle that may be liable for damages to the insured,  
33 fails to so disclose its coverage. As a condition precedent to the obli-  
34 gation of the insurer to pay under the supplementary  
35 uninsured/underinsured motorists insurance coverage, the limits of  
36 liability of all bodily injury liability bonds or insurance policies  
37 applicable at the time of the accident shall be exhausted by payment of  
38 judgments or settlements.

39 § 7. This act shall take effect immediately; provided, however, that  
40 within sixty days after such effective date all limousines subject to  
41 the provisions of this act shall have in full force and effect an insur-  
42 ance policy or other permissible bond, deposit, or qualification as  
43 required by this act, and shall provide satisfactory proof of such  
44 coverage to the commissioner of motor vehicles.