# STATE OF NEW YORK

3632

2019-2020 Regular Sessions

# IN SENATE

February 11, 2019

Introduced by Sens. BRESLIN, SEWARD, O'MARA -- read twice and ordered printed, and when printed to be committed to the Committee on Insurance

AN ACT to amend the insurance law, in relation to prohibiting unilateral reduction, diminishment or non-payment of health insurance commissions or other compensation

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

Section 1. Section 2114 of the insurance law is amended by adding a new subsection (c) to read as follows:

**(c) Notwithstanding any other provision of this chapter or any other general, special or local law to the contrary, it shall be unlawful as against public policy for any insurer or health plan to include any provisions in a sales contract or agreement entered into with a licensed life or accident and health insurance producer, broker, agent or benefits consultant, allowing such insurer or health plan to unilaterally reduce, diminish or otherwise cease payments of any commissions or other compensation offered to any such licensed life or accident and health insurance producer, broker, agent or benefits consultant, for the sale or replacement of any individual or small group health insurance policy, contract for insurance or certificate of insurance, where such commissions or other compensation were included, embedded or otherwise actuarially loaded into such insurer's or health plan's premium rate filings or applications submitted to the department pursuant to section three thousand two hundred thirty-one of this chapter, for so long as such prior approved rates are valid and remain in full force and effect.**

§ 2. This act shall take effect immediately and shall apply to all applicable policies, certificates and contracts issued, renewed, modified, altered or amended on or after such date.

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

LBD09803-01-9