

# STATE OF NEW YORK

4454

2019-2020 Regular Sessions

## IN SENATE

March 12, 2019

Introduced by Sen. BROOKS -- 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 claims for loss or damage to real property, continuing education for licensed persons and qualifications for independent adjusters

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

1 Section 1. The insurance law is amended by adding a new section 2617  
2 to read as follows:

3 § 2617. Claims for loss or damage to real property; repairs. (a) When-  
4 ever an insured suffers a loss or damage to real property, no insurer  
5 providing coverage therefor shall require that repairs be completed by a  
6 particular entity or individual.

7 (b) In processing any such claim, the insurer shall not recommend or  
8 suggest repairs be made by a particular entity or individual unless  
9 expressly requested by the insured, in which case the insurer shall  
10 disclose to the insured whether the insurer has a controlling or busi-  
11 ness interest in any entity or individual that the insurer recommends or  
12 suggests.

13 § 2. Paragraph 1 of subsection (f) of section 2108 of the insurance  
14 law is amended to read as follows:

15 (1) The superintendent shall, in order to determine the trustworthi-  
16 ness and competency to act as an independent adjuster of each individual  
17 applicant for such license, and of each proposed sub-licensee, except in  
18 the case of a renewal license, require every such individual to take and  
19 pass, to the satisfaction of the superintendent, a personal written  
20 examination. An individual shall not be deemed qualified to take the  
21 examination without having demonstrated by evidence satisfactory to the  
22 superintendent that: (A) the individual possesses a minimum of one-  
23 year's experience in the insurance business, with involvement in sales,  
24 underwriting, claims, or other experience considered sufficient by the

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

LBD08425-01-9

1 superintendent; or (B) the individual successfully completed forty hours  
2 of formal training in a course, program of instruction, or seminars  
3 approved by the superintendent. The superintendent may prescribe the  
4 types of written examinations according to the kind or kinds of insur-  
5 ance claims ~~[which]~~ that the applicant is to be licensed to investigate  
6 and adjust.

7 § 3. Subsection (r) of section 2108 of the insurance law, as added by  
8 chapter 264 of the laws of 1998, is amended to read as follows:

9 (r) (1) The following continuing education requirements shall apply to  
10 resident and non-resident persons licensed as public or independent  
11 adjusters.

12 (2) Resident and non-resident persons licensed as public or independ-  
13 ent adjusters and any person previously so licensed whose license was  
14 not in effect on the effective date of this subsection and who has  
15 subsequently been relicensed pursuant to the provisions of this article,  
16 shall biennially satisfactorily complete such courses or programs as may  
17 be approved by the superintendent, as follows:

18 (A) Any person holding a license as a public or independent adjuster  
19 shall, during each full biennial licensing period, satisfactorily  
20 complete courses or programs of instruction or attend seminars as may be  
21 approved by the superintendent equivalent to fifteen credit hours of  
22 instruction.

23 (B) During the same calendar year biennial licensing period, a licen-  
24 see may use accumulated continuing education credits to meet the  
25 requirements of similar classes of licenses including those authorized  
26 by subsection (b) of section two thousand one hundred three, section two  
27 thousand one hundred four, section two thousand one hundred seven of  
28 this article with respect to general insurance consultants, and this  
29 section ~~[two thousand one hundred eight of this article]~~ with respect to  
30 public and independent adjusters.

31 (C) Excess credit hours accumulated during any biennial licensing  
32 period shall not carry forward to the next biennial licensing period for  
33 that same class of license.

34 (3) (A) The courses or programs of instruction successfully completed,  
35 which shall be deemed to meet the superintendent's standards for contin-  
36 uing education shall be:

37 (i) Courses, programs of instruction or seminars, approved as to meth-  
38 od and content by the superintendent, covering portions of the principal  
39 branches of insurance related to the kinds of insurance covered by the  
40 public or independent adjusting license, and given by a degree confer-  
41 ring college or university whose curriculum is registered with the state  
42 education department at the time the person takes the course, whether  
43 such course be given as part of such curriculum or separately, or by any  
44 other institution, association, trade association or insurer, which  
45 maintains equivalent standards of instruction and which shall have been  
46 approved for such purpose by the superintendent.

47 (ii) Continuing education as required by the state in which a non-re-  
48 sident licensee resides and maintains an office, provided the super-  
49 intendent deems them equivalent to New York continuing education  
50 requirements. If the state in which the non-resident licensee resides  
51 and maintains an office has no continuing education requirements, or the  
52 superintendent does not deem them equivalent, the licensee must satisfy  
53 New York continuing education requirements.

54 (B) The number of credit hours assigned to each of the courses or  
55 programs of instruction set forth in paragraph one of this subsection  
56 shall be determined by the superintendent.

1 (4) A person who teaches any approved course of instruction or who  
2 lectures at any approved seminar, and who is subject to these continuing  
3 education requirements shall be granted the same number of credit hours  
4 as would be granted to a person taking and successfully completing such  
5 course, seminar or program, provided that such credit hours shall be  
6 credited only once per approved course during any biennial licensing  
7 period.

8 (5) Every person subject to these continuing education requirements  
9 shall furnish, in a form satisfactory to the superintendent, written  
10 certification attesting to the course or programs of instruction taken  
11 and successfully completed by such person, and executed by the sponsor-  
12 ing organization or its authorizing representative.

13 (6) (A) Any person failing to meet applicable continuing education  
14 requirements shall not be eligible to renew the license.

15 (B) Any person whose license was not renewed shall not be eligible to  
16 become relicensed during the next biennial licensing period until that  
17 person has demonstrated to the satisfaction of the superintendent that  
18 continuing education requirements for the last biennial licensing period  
19 were met.

20 (C) Any person whose license was not renewed pursuant to subparagraph  
21 (A) of this paragraph, who accumulates sufficient credit hours for the  
22 prior licensing period to qualify for relicensing in the biennial period  
23 following such non-renewal, may not apply those same credit hours toward  
24 the continuing education requirements for the current biennial licensing  
25 period.

26 (7) (A) Any entity eligible to provide continuing education courses,  
27 programs of instruction, or seminars shall file for approval by the  
28 superintendent on a biennial basis, to conform with its areas of  
29 instruction, a provider organization application and a course submission  
30 application for each course, program, and seminar.

31 (B) The provider organization application shall include the names of  
32 all instructors to be used during the contract period, and instructors  
33 may be added during the period by notifying the superintendent and  
34 paying the appropriate filing fee.

35 (C) The completed applications shall be returned in a timely manner,  
36 as specified by the superintendent with a non-refundable filing fee of  
37 two hundred dollars per organization, fifty dollars per course, program,  
38 and seminar, and fifty dollars per instructor.

39 (D) Approval of the application shall be at the discretion of the  
40 superintendent.

41 (8) Each licensee shall pay a biennial fee of ten dollars per license,  
42 for continuing education certificate filing and recording charges, to  
43 the superintendent, or, at the direction of the superintendent, directly  
44 to an organization under contract to provide continuing education admin-  
45 istrative services.

46 § 4. The opening paragraph of subsection (a) of section 2110 of the  
47 insurance law, as amended by chapter 499 of the laws of 2009, is amended  
48 to read as follows:

49 The superintendent may refuse to renew, revoke, or may suspend for a  
50 period the superintendent determines the license of any insurance  
51 producer, insurance consultant, public or independent adjuster or life  
52 settlement broker, if, after notice and hearing, the superintendent  
53 determines that the licensee or any sub-licensee has:

54 § 5. Paragraph 2 of subsection (c) of section 2132 of the insurance  
55 law, as amended by chapter 264 of the laws of 1998, is amended to read  
56 as follows:

1 (2) During the same calendar year biennial licensing period, a licen-  
2 see may use accumulated continuing education credits to meet the  
3 requirements of similar classes of licenses, as follows: (A) subsection  
4 (a) of section two thousand one hundred three and section two thousand  
5 one hundred seven of this article with respect to life insurance  
6 consultants; or (B) subsection (b) of section two thousand one hundred  
7 three, section two thousand one hundred four, section two thousand one  
8 hundred seven of this article with respect to general insurance consult-  
9 ants, and section two thousand one hundred eight of this article with  
10 respect to public and independent adjusters.  
11 § 6. This act shall take effect on the first of January next succeed-  
12 ing the date on which it shall have become a law.