

STATE OF NEW YORK

9761

IN ASSEMBLY

February 10, 2020

Introduced by M. of A. PERRY -- read once and referred to the Committee on Insurance

AN ACT to amend the insurance law, in relation to group policies for motor vehicles engaged in the business of carrying or transporting passengers for-hire

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 3460
2 to read as follows:

3 § 3460. Group policy for motor vehicles engaged in the business of
4 carrying or transporting passengers for-hire. (a) Every authorized
5 insurer that issues or issues for delivery in this state a policy of
6 commercial risk insurance insuring against losses or liabilities arising
7 out of the ownership, operation, or use of a motor vehicle, shall estab-
8 lish a group policy insuring against the losses or liabilities arising
9 out of the ownership of motor vehicles engaged in the business of carry-
10 ing or transporting passengers for-hire, having a seating capacity of
11 not less than eight passengers. Such group policies shall be subject to
12 all laws, rules and regulations applicable to policies of commercial
13 risk insurance insuring against losses or liabilities arising out of the
14 ownership, operation, or use of a motor vehicle engaged in the business
15 of carrying or transporting passengers for-hire, having a seating capac-
16 ity of not less than eight passengers, including but not limited to
17 laws, rules and regulations establishing financial responsibility
18 requirements.

19 (b) The policy may be issued to:

20 (1) any person, firm, association, corporation or other entity which
21 shall be deemed the policyholder, where the policy insures the for-hire
22 motor vehicles owned by such person, firm, association, corporation or
23 other entity; or

24 (2) an association where such association shall be deemed the policy-
25 holder; where all the eligible members of the association have the same
26 profession, trade, or occupation, and the association has been
27 organized and maintained in good faith for purposes principally

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

LBD15098-02-0

1 other than that of obtaining insurance, and has been in active exist-
2 ence for at least two years, and where the policy insures the members
3 of the association.

4 (c) An authorized insurer issuing policies pursuant to this section
5 shall provide a multiple vehicle discount based on the number of motor
6 vehicles that will be covered under such policy. Each insurer required
7 to provide such discount shall submit a report to the superintendent at
8 the end of each calendar year identifying the number of policies eligi-
9 ble for such discount and the number of policies to which such discount
10 has been applied.

11 (d) A member of an association shall not be deemed to be an employee
12 of such association solely because such member is covered under a group
13 policy issued to an association pursuant to this section.

14 (e) Authorized insurers required to establish group policies pursuant
15 to this section shall make such policies available for purchase no later
16 than January first, two thousand twenty-one.

17 (f) The superintendent shall provide for an actuarially appropriate
18 reduction in the rates of premiums for commercial risk insurance appli-
19 cable to motor vehicles engaged in the business of carrying or trans-
20 porting passengers for-hire, having a seating capacity of not less than
21 eight passengers, for policies that provide coverage for multiple vehi-
22 cles.

23 (g) The superintendent may promulgate any rules and regulations neces-
24 sary to implement the provisions of this section.

25 § 2. This act shall take effect immediately.