STATE OF NEW YORK

9761--A

IN ASSEMBLY

February 10, 2020

Introduced by M. of A. PERRY, COOK, HYNDMAN, VANEL -- read once and referred to the Committee on Insurance -- reported and referred to the Committee on Codes -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

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:

Section 1. The insurance law is amended by adding a new section 3457 to read as follows:

§ 3457. Group fleet policy for motor vehicles engaged in the business of carrying or transporting passengers for-hire. (a) (i) Every authorized insurer that issues or issues for delivery in this state a policy of commercial risk insurance insuring against losses or liabilities arising out of the ownership, operation, or use of a motor vehicle, shall establish and offer a group fleet policy insuring against the losses or liabilities arising out of the ownership of motor vehicles engaged in the business of carrying or transporting passengers for-hire, having a seating capacity of not less than eight passengers. Such group fleet policy shall provide coverage for more than one vehicle through one policy. Such group fleet policies shall be subject to all laws, rules and regulations applicable to policies of commercial risk insurance insuring against losses or liabilities arising out of the ownership, operation, or use of a motor vehicle engaged in the business of carrying or transporting passengers for-hire, having a seating capacity of not less than eight passengers, including but not limited to laws, rules and regulations establishing financial responsibility requirements.

(ii) For the purpose of this section, a "group fleet policy" shall mean, a policy issued by an authorized insurer in this state insuring against losses or liabilities arising out of ownership, operation, or use of a motor vehicle engaged in the business of carrying or transport-

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

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ing passengers for-hire, having a seating capacity of not less than eight passengers, and such policy shall cover more than one vehicle.

(b) The group fleet policy may be issued to:

(i) Any person, firm, association, corporation or other entity which shall be deemed the policyholder, where the policy insures the for-hire motor vehicles owned by such person, firm, association, corporation or other entity; or

(ii) An association where such association shall be deemed the policyholder; where all the eligible members of the association have the same profession, trade, or occupation, and the association has been organized and maintained in good faith for purposes principally other than that of obtaining insurance, and has been in active existence for at least two years, and where the policy insures the members of the association.

(c) An authorized insurer issuing policies pursuant to this section shall provide a multiple vehicle reduction based on the number of motor vehicles that will be covered under such policy. Such reduction shall be based on actuarially appropriate reductions as provided for in subsection (e) of this section. Each insurer required to provide such reduction shall submit a report to the superintendent at the end of each calendar year identifying the number of policies eligible for such discount and the number of policies to which such discount has been applied.

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

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

(f) The superintendent shall provide for an actuarially appropriate reduction in the rates of premiums for commercial risk insurance applicable to motor vehicles engaged in the business of carrying or transporting passengers for-hire, having a seating capacity of not less than eight passengers, for policies that provide coverage for multiple vehicles. Nothing in this section shall be construed to authorize any increase in premium rates for any other policy issued by such authorized insurer as a result of any group fleet policy premium rate.

(g) The superintendent may promulgate any rules and regulations necessary to implement the provisions of this section.

§ 2. This act shall take effect immediately.