# STATE OF NEW YORK

8486

# IN SENATE

June 5, 2020

Introduced by Sen. COMRIE -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the insurance law, in relation to commuter van classification review

**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 344 to read as follows:

**§ 344. Commuter van classification review. (a) For the purposes of this section:**

**(1) "Commuter van" shall have the same meaning as such term is defined in section 19-502 of the administrative code of the city of New York.**

**(2) "Assigned risk plan" or "plan" shall mean the plan established pursuant to article fifty-three of this chapter.**

**(b) The superintendent shall conduct a review of the classification used by authorized insurers in this state issuing auto insurance coverage for commuter vans, including coverage in the assigned risk plan. This review shall include determinations of whether commuter vans are properly classified, including a review of:**

**(1) whether the assumed risks used in the calculation of premiums for commuter vans by authorized insurers are appropriate;**

**(2) whether the current classification and risk assessment of commuter vans by authorized insurers is the most cost effective classification based on the assumed risks, if another classification could be more cost effective, and a detailed analysis of the reason or reasons for such differences in costs and the average amount of difference in costs; and**

**(3) the cost differential between the premium for being classified as "other buses" by authorized insurers, and the premium for being classified as a commuter van where such premium is based solely on the risks specific to commuter vans in such plan.**

**(c) If, after review, the premium for being classified as "other buses" is greater than the premium for being classified as a commuter van, the superintendent shall make a determination of whether a new classification for commuter vans should be created and, if so, shall**

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

LBD15099-01-0

require authorized insurers issuing auto insurance policies in this state, including policies issued through the assigned risk plan, to use such classification for commuter vans at the inception of all new policies and, with respect to all other policies, upon renewal.

(d) The superintendent shall conduct and complete this review and make all required determinations within ninety days after the effective date of this section. The superintendent shall also provide a report to the governor, the temporary president of the senate, the speaker of the assembly, the chair of the assembly insurance committee and the chair of the senate insurance committee, of the department's findings and determinations within sixty days after completing such review.

§ 2. This act shall take effect immediately.