

# STATE OF NEW YORK

6004

2021-2022 Regular Sessions

## IN ASSEMBLY

March 4, 2021

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

AN ACT to amend the insurance law, in relation to commercial crime coverage exclusions

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 3458  
2 to read as follows:

3 § 3458. Commercial crime coverage exclusions. (a) Definitions. As used  
4 in this section:

5 (1) "commercial crime coverage" means coverage under a policy of  
6 commercial risk insurance that provides burglary and theft insurance or  
7 fidelity insurance; and

8 (2) "commercial risk insurance" shall have the same meaning as set  
9 forth in paragraph forty-seven of subsection (a) of section one hundred  
10 seven of this chapter.

11 (b) No policy issued, renewed or delivered in this state that provides  
12 commercial crime coverage may exclude or limit coverage for loss or  
13 damage caused by an employee if:

14 (1) the employee was convicted of one or more criminal offenses in  
15 this state or any other jurisdiction prior to being employed by the  
16 employer; and

17 (2) after learning about an employee's past criminal conviction or  
18 convictions, the employer made a determination to hire or retain the  
19 employee pursuant to article twenty-three-A of the correction law.

20 (c) A violation of this section shall be deemed to be an unfair method  
21 of competition or an unfair or deceptive act and practice in the conduct  
22 of the business of insurance in this state, and shall be deemed to be a  
23 trade practice constituting a determined violation, as defined in  
24 subsection (c) of section two thousand four hundred two of this chapter,  
25 in violation of section two thousand four hundred three of this chapter.

26 § 2. This act shall take effect immediately.

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

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