STATE OF NEW YORK

6196

2021-2022 Regular Sessions

IN SENATE

April 14, 2021

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

AN ACT to amend the workers' compensation law, in relation to allowing the New York state insurance fund to enter into agreements with private insurance providers to cover out-of-state work

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

Section 1. Section 76 of the workers' compensation law is amended by adding a new subdivision 1-a to read as follows:

1-a. a. The purposes of the state insurance fund are hereby enlarged to permit it to enter agreements with insurers licensed to write workers' compensation insurance in states outside New York to issue policies to state insurance fund policyholders covering those policyholders' obligations to secure the payment of workers' compensation benefits under the laws of states other than New York. The state insurance fund shall also be authorized to receive premiums into its workers' compensation fund for policies written under such agreements and to pay from such fund: (i) reimbursement of all losses and loss adjustment expenses under such policies; and (ii) fees and other costs, including but not limited to those for claims services, relating to such agreements. An agreement under this subdivision shall not include the provision of claims services for any claim under this chapter.

b. For a policyholder to be eligible for insurance in states other than New York provided through agreements entered into under this subdivision, either: (i) the policyholder's workers' compensation premiums with the state insurance fund covering its employees under this chapter must be greater than the premiums charged to cover the policyholder's obligations to pay workers' compensation benefits in all states, in the aggregate, other than New York when covered under such agreements; or (ii) the payroll for the policyholder's operations in New York must be greater than the policyholder's payroll in all states, in the aggregate,

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

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other than New York when covered under such agreements for the prior policy period. For determining eligibility, "premiums" mean estimated premiums as determined by the state insurance fund at the beginning of the policy period. In addition, for a policyholder to be eligible for insurance in states other than New York through the state insurance fund, the policyholder must meet the state insurance fund's underwriting criteria for other states coverage as specified by rules of the commissioners.

§ 2. This act shall take effect immediately.