

# STATE OF NEW YORK

4535

2021-2022 Regular Sessions

## IN ASSEMBLY

February 4, 2021

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

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:

1 Section 1. The insurance law is amended by adding a new section 346 to  
2 read as follows:

3 § 346. Commuter van classification review. (a) For the purposes of  
4 this section:

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

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

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

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

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

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

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

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1 (c) If, after review, the premium for being classified as "other  
2 buses" is greater than the premium for being classified as a commuter  
3 van, the superintendent shall make a determination of whether a new  
4 classification for commuter vans should be created and, if so, shall  
5 require authorized insurers issuing auto insurance policies in this  
6 state, including policies issued through the assigned risk plan, to use  
7 such classification for commuter vans at the inception of all new poli-  
8 cies and, with respect to all other policies, upon renewal.

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

16 § 2. This act shall take effect immediately.