STATE OF NEW YORK

8712

IN ASSEMBLY

January 11, 2022

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

AN ACT to amend the insurance law, in relation to authorizing the return of any operating reserve balances of members of a municipal insurance reciprocal

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

Section 1. Subparagraph (C) of paragraph 3 of subsection (a) of section 6109 of the insurance law, as amended by a chapter of the laws of 2021 amending the insurance law relating to authorizing the superintendent of financial services to authorize the return of subscribing member operating reserve balances to members of a municipal insurance reciprocal, as proposed in legislative bills numbers S. 4112 and A. 3466, is amended to read as follows:

(C) in the case of a municipal reciprocal insurer, authorize the return of any outstanding subscriber operating reserve balance **upon the municipal reciprocal insurer's demonstration that it will retain sufficient surplus to support its obligations and writings**.

§ 2. This act shall take effect on the same date and in the same manner as a chapter of the laws of 2021 amending the insurance law relating to authorizing the superintendent of financial services to authorize the return of subscribing member operating reserve balances to members of a municipal insurance reciprocal, as proposed in legislative bills numbers S. 4112 and A. 3466, takes effect.

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

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