

# STATE OF NEW YORK

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1941

2021-2022 Regular Sessions

## IN SENATE

January 16, 2021

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Introduced by Sens. AKSHAR, FELDER, HARCKHAM -- read twice and ordered printed, and when printed to be committed to the Committee on Transportation

AN ACT to amend the vehicle and traffic law and the insurance law, in relation to increasing the minimum insurance coverage requirements for automobiles registered and/or operated within the state of New York

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

1 Section 1. Paragraph (a) of subdivision 4 and subdivision 7 of section  
2 311 of the vehicle and traffic law, paragraph (a) of subdivision 4 as  
3 amended by chapter 305 of the laws of 1995 and subdivision 7 as amended  
4 by chapter 805 of the laws of 1984, are amended to read as follows:

5 (a) Affording coverage as defined in the minimum provisions prescribed  
6 in a regulation which shall be promulgated by the superintendent at  
7 least ninety days prior to effective date of this act. The superinten-  
8 dent before promulgating such regulations or any amendment thereof,  
9 shall consult with all insurers licensed to write automobile liability  
10 insurance in this state and shall not prescribe minimum provisions which  
11 fail to reflect the provisions of automobile liability insurance poli-  
12 cies, other than motor vehicle liability policies as defined in section  
13 three hundred forty-five of this chapter, issued within this state at  
14 the date of such regulation or amendment thereof. Nothing contained in  
15 such regulation or in this article shall prohibit any insurer from  
16 affording coverage under an owner's policy of liability insurance more  
17 liberal than that required by said minimum provisions. Every such  
18 owner's policy of liability insurance shall provide insurance subject to  
19 said regulation against loss from the liability imposed by law for  
20 damages, including damages for care and loss of services, because of  
21 bodily injury to or death of any person and injury to or destruction of  
22 property arising out of the ownership, maintenance, use, or operation of  
23 a specific motor vehicle or motor vehicles within the state of New York,

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

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1 or elsewhere in the United States in North America or the Dominion of  
2 Canada, subject to a limit, exclusive of interest and costs, with  
3 respect to each such motor vehicle except a tow truck, of [~~twenty-five~~  
4 two hundred fifty thousand dollars because of bodily injuries to and  
5 [~~fifty~~ five hundred thousand dollars because of death of one person in  
6 any one accident and, subject to said limit for one person, to a limit  
7 of [~~fifty~~ five hundred thousand dollars because of bodily injury to and  
8 one [~~hundred-thousand~~ million dollars because of death of two or more  
9 persons in any one accident, and to a limit of [~~ten~~ twenty-five thou-  
10 sand dollars because of injury to or destruction of property of others  
11 in any one accident provided, however, that such policy need not be for  
12 a period coterminous with the registration period of the vehicle  
13 insured. The limit, exclusive of interest and costs, with respect to a  
14 tow truck shall be a combined single limit of at least three hundred  
15 thousand dollars because of bodily injury or death to one or more  
16 persons or because of injury or destruction of property of others in any  
17 one accident, and to a limit of twenty-five thousand dollars because of  
18 damage to a vehicle in the care, custody and control of the insured. Any  
19 insurer authorized to issue an owner's policy of liability insurance as  
20 provided for in this article may, pending the issue of such a policy,  
21 make an agreement, to be known as a binder, or may, in lieu of such a  
22 policy, issue a renewal endorsement or evidence of renewal of an exist-  
23 ing policy; each of which shall be construed to provide indemnity or  
24 protection in like manner and to the same extent as such a policy. The  
25 provisions of this article shall apply to such binders, renewal endorse-  
26 ments or evidences of renewal. Every such policy issued insuring private  
27 passenger vehicles and every renewal policy, renewal endorsement, or  
28 other evidence of renewal issued shall have attached thereto a rating  
29 information form which clearly specifies and defines the rating classi-  
30 fication assigned thereto, including any applicable merit rating plan;  
31 and

32 7. The term "financial security deposit" shall mean for each motor  
33 vehicle the deposit with the commissioner of [~~twenty-five~~ two hundred  
34 fifty thousand dollars in cash, or securities, such as may legally be  
35 purchased by savings banks or trust funds, of a market value of [~~twen-~~  
36 ~~ty-five~~ two hundred fifty thousand dollars and an additional deposit in  
37 an amount determined by the commissioner to be sufficient to satisfy the  
38 requirements of article fifty-one of the insurance law.

39 § 2. Paragraph 3 of subdivision (b) of section 345 of the vehicle and  
40 traffic law, as amended by chapter 305 of the laws of 1995, is amended  
41 to read as follows:

42 (3) Shall insure the insured or such other person against loss from  
43 the liability imposed by law for damages, including damages for care and  
44 loss of services because of bodily injury to or death of any person and  
45 injury to or destruction of property arising out of the ownership, main-  
46 tenance, use, or operation of such motor vehicle or motor vehicles with-  
47 in the state of New York, or elsewhere in the United States in North  
48 America or the Dominion of Canada, subject to a limit, exclusive of  
49 interest and cost, with respect to each such motor vehicle, except a tow  
50 truck, of [~~twenty-five~~ two hundred fifty thousand dollars because of  
51 bodily injury to or [~~fifty~~ five hundred thousand dollars because of  
52 death of one person in any one accident and, subject to said limit for  
53 one person, to a limit of [~~fifty~~ five hundred thousand dollars because  
54 of bodily injury to or one [~~hundred-thousand~~ million dollars because of  
55 death of two or more persons in any one accident, and to a limit of  
56 [~~ten~~ twenty-five thousand dollars because of injury to or destruction

1 of property of others in any one accident. The limit, exclusive of  
2 interest and costs, with respect to a tow truck shall be a combined  
3 single limit of three hundred thousand dollars because of bodily injury  
4 of death to one or more persons or because of injury or destruction of  
5 property of others in any one accident, and to a limit of twenty-five  
6 thousand dollars because of damage to a vehicle in the care, custody and  
7 control of the insured.

8 § 3. Paragraph 1 of subsection (f) of section 3420 of the insurance  
9 law, as amended by section 19 of part III of chapter 59 of the laws of  
10 2019, is amended to read as follows:

11 (1) No policy insuring against loss resulting from liability imposed  
12 by law for bodily injury or death suffered by any natural person arising  
13 out of the ownership, maintenance and use of a motor vehicle or an  
14 altered motor vehicle commonly referred to as a "stretch limousine"  
15 having a seating capacity of eight or more passengers used in the busi-  
16 ness of carrying or transporting passengers for hire, by the insured  
17 shall be issued or delivered by any authorized insurer upon any motor  
18 vehicle or an altered motor vehicle commonly referred to as a "stretch  
19 limousine" having a seating capacity of eight or more passengers used in  
20 the business of carrying or transporting passengers for hire, then prin-  
21 cipally garaged or principally used in this state unless it contains a  
22 provision whereby the insurer agrees that it will pay to the insured, as  
23 defined in such provision, subject to the terms and conditions set forth  
24 therein to be prescribed by the board of directors of the Motor Vehicle  
25 Accident Indemnification Corporation and approved by the superintendent,  
26 all sums, not exceeding a maximum amount or limit of [~~twenty-five~~ two  
27 hundred fifty thousand dollars exclusive of interest and costs, on  
28 account of injury to and all sums, not exceeding a maximum amount or  
29 limit of [~~fifty~~ five hundred thousand dollars exclusive of interest and  
30 costs, on account of death of one person, in any one accident, and the  
31 maximum amount or limit, subject to such limit for any one person so  
32 injured of fifty thousand dollars or so killed of one [~~hundred thousand~~  
33 million dollars, exclusive of interest and costs, on account of injury  
34 to, or death of, more than one person in any one accident, which the  
35 insured or his legal representative shall be entitled to recover as  
36 damages from an owner or operator of an uninsured motor vehicle, uniden-  
37 tified motor vehicle which leaves the scene of an accident, a motor  
38 vehicle registered in this state as to which at the time of the accident  
39 there was not in effect a policy of liability insurance, a stolen vehi-  
40 cle, a motor vehicle operated without permission of the owner, an  
41 insured motor vehicle where the insurer disclaims liability or denies  
42 coverage or an unregistered vehicle because of bodily injury, sickness  
43 or disease, including death resulting therefrom, sustained by the  
44 insured, caused by accident occurring in this state and arising out of  
45 the ownership, maintenance or use of such motor vehicle. No payment for  
46 non-economic loss shall be made under such policy provision to a covered  
47 person unless such person has incurred a serious injury, as such terms  
48 are defined in section five thousand one hundred two of this chapter.  
49 Such policy shall not duplicate any element of basic economic loss  
50 provided for under article fifty-one of this chapter. No payments of  
51 first party benefits for basic economic loss made pursuant to such arti-  
52 cle shall diminish the obligations of the insurer under this policy  
53 provision for the payment of non-economic loss and economic loss in  
54 excess of basic economic loss. Notwithstanding any inconsistent  
55 provisions of section three thousand four hundred twenty-five of this

1 article, any such policy which does not contain the aforesaid provisions  
2 shall be construed as if such provisions were embodied therein.

3 § 4. Subsection (a) of section 5210 of the insurance law, as amended  
4 by chapter 305 of the laws of 1995, is amended to read as follows:

5 (a) When any qualified person who has complied with all the applicable  
6 requirements of this article recovers a final judgment in a court  
7 against a financially irresponsible motorist, for injury to, or death  
8 of, any person arising out of the ownership, maintenance or use of the  
9 uninsured motor vehicle in this state, which remains unpaid, and all  
10 appeals have been concluded or the time for commencing them has expired,  
11 the judgment creditor may file a verified petition in the court in which  
12 the judgment was entered and, upon ten days' written notice to the  
13 corporation apply to the court for an order directing payment by the  
14 corporation of the amount unpaid on the judgment. However, there shall  
15 be no right of recovery by a covered person from the corporation for  
16 non-economic loss unless such person has incurred a serious injury, as  
17 such terms are defined in section five thousand one hundred two of this  
18 chapter. Such judgment exclusive of interest and costs shall not  
19 exceed:

20 (1) [~~twenty-five~~] two hundred fifty thousand dollars on account of  
21 injury to one person in any one accident, and

22 (2) [~~fifty~~] five hundred thousand dollars on account of death to one  
23 person in any one accident, and

24 (3) [~~fifty~~] five hundred thousand dollars on account of injury to more  
25 than one person in any one accident subject to the limit of twenty-five  
26 thousand dollars for any one person, and

27 (4) one [~~hundred-thousand~~] million dollars on account of death to more  
28 than one person in any one accident subject to the limit of fifty thou-  
29 sand dollars for any one person.

30 § 5. This act shall take effect on the one hundred eightieth day after  
31 is shall have become a law.