STATE OF NEW YORK

7797

IN SENATE

January 11, 2022

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

AN ACT to amend the insurance law, in relation to defining the term property/casualty insurance and providing for the electronic delivery of a policy notice or document by an insurer to a party who consents to such delivery

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

Section 1. Subparagraph (B) of paragraph 1 of subsection (a), and subsections (b), (c), (e), (f), (g) and (l) of section 3458 of the insurance law, as added by a chapter of the laws of 2021 amending the insurance law relating to electronic delivery of property/casualty insurance notices, as proposed in legislative bills numbers S. 653-A and A. 651-A, are amended and a new paragraph 3 is added to subsection (a) to read as follows:

(B) posting on an electronic network or site accessible via the internet, mobile application, computer, mobile device, tablet, or any other electronic device, together with separate notice of the posting which shall be provided by electronic mail to the address at which the party has consented to receive notice or by any other **electronic** delivery method that has been consented to by the party.

(3) "Property/casualty insurance" means basic kinds of insurance and non-basic kinds of insurance, as defined in section four thousand one hundred one of this chapter, provided that "property/casualty insurance" shall not include accident and health insurance as defined in paragraph three of subsection (a) of section one thousand one hundred thirteen of this chapter.

(b) Subject to the requirements of this section, any notice to a party or any other document required under [~~applicable law~~] **this chapter** in a property/casualty insurance transaction or that is to serve as evidence of property/casualty insurance coverage may be delivered[~~, stored, and presented~~] by electronic means so long as it meets the requirements of article three of the state technology law. **Where this chapter requires that notice be mailed or delivered to an address shown in the policy,**

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

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the notice may be delivered by electronic means to an electronic address not specified in the policy.

(c) Delivery of a notice or document in accordance with this section shall be considered equivalent to any delivery method required under [~~applicable law~~] **this chapter**, **other than section three thousand one hundred eleven of this chapter,** including delivery by first class mail; first class mail, postage prepaid; certified mail; certificate of mail; or certificate of mailing.

(e) **(1) Before a notice or document is delivered by electronic means, an insurer shall obtain a party's consent to deliver that kind of notice or document by electronic means. A party's consent to receive one type of notice or document shall not be construed as a blanket consent for every kind of notice and document to be delivered by electronic means. A party's consent shall only apply to the types of notices and documents identified in the clear and conspicuous information statement provided to the consenting party, as required by subparagraph (B) of paragraph two of subsection (d) of this section.**

(2) Any electronic mail being sent by an insurer to a party in connection with the delivery of a cancellation notice, non-renewal notice or conditional renewal notice delivered by electronic means shall include in the subject line and body of the communication clear and conspicuous language alerting the receiving party as to the importance of the communication and the type of notice being delivered **by electronic means** to such party [~~electronically~~].

(f) This section does not affect requirements related to content or timing of any notice or document required under [~~applicable law~~] **this chapter**.

(g) If a provision of this chapter [~~or applicable law~~] requiring a notice or document to be provided to a party expressly requires verification or acknowledgment of receipt of the notice or document, the notice or document may be delivered by electronic means only if the method used provides for verification or acknowledgment of receipt.

(l) An insurer shall deliver a notice or document by any other delivery method permitted by law other than **delivery by** electronic means if:

(1) the insurer attempts to deliver **by electronic means** the notice or document [~~by electronic means~~] and has a reasonable basis for believing that the notice or document has not been received by the party[~~.~~]**;** or

(2) the insurer becomes aware that the electronic mail address provided by the party is no longer valid.

§ 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 electronic delivery of property/casualty insurance notices, as proposed in legislative bills numbers S. 653-A and A. 651-A, takes effect.