

STATE OF NEW YORK

5047--A

2023-2024 Regular Sessions

IN ASSEMBLY

February 27, 2023

Introduced by M. of A. LAVINE, SHIMSKY, TAPIA, CRUZ, SIMON -- read once and referred to the Committee on Insurance -- recommitted to the Committee on Insurance in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the insurance law, in relation to the sale of a non-indemnity legal service plan

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

1 Section 1. Subsection (b) of section 1101 of the insurance law is
2 amended by adding a new paragraph 9 to read as follows:

3 (9)(A) Notwithstanding the foregoing, the sale of a non-indemnity
4 legal service plan shall not constitute doing an insurance business in
5 this state.

6 (B) For purposes of this paragraph, a non-indemnity legal service plan
7 includes any plan, regardless of the benefits, where legal services are
8 available to members, or their dependents, through an organization that
9 contracts directly with independent attorneys for the provision of the
10 legal services and the organization pays the independent attorney via a
11 capitated arrangement and the independent attorney receives no addi-
12 tional payment or reimbursement from the organization for specified
13 legal services or specified legal expenses.

14 § 2. This act shall take effect on the thirtieth day after it shall
15 have become a law.

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

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