STATE OF NEW YORK

4863

2023-2024 Regular Sessions

IN SENATE

February 16, 2023

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

AN ACT to amend the insurance law, in relation to legal services insurance

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

Section 1. Paragraph 29 of subsection (a) of section 1113 of the insurance law, as added by chapter 65 of the laws of 1998, is amended to read as follows:

(29) "Legal services insurance" means insurance [~~providing legal services or reimbursement of the cost of legal services~~] **that pays or reimburses for specified legal services or specified legal expenses, in consideration of a specified payment, regardless of whether the payment is made by the beneficiaries individually or by a third person on their behalf. "Legal services insurance" does not include the furnishing of legal assistance to members, or their dependents, by an organization, in which the organization contracts directly with independent attorneys for the provision of legal services, where the organization pays the independent attorney only an administrative fee and the independent attorney receives no additional payment or reimbursement from the organization for specified legal services or specified legal expenses**.

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

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

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