

STATE OF NEW YORK

8018

IN SENATE

January 5, 2024

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

AN ACT to amend the insurance law and a chapter of the laws of 2023 amending the insurance law relating to using driving history as a rating or underwriting factor for private passenger motor vehicle insurance, as proposed in legislative bills numbers S. 5764-B and A. 4668-B, in relation to using driving history as a rating or underwriting factor for private passenger motor vehicle insurance

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

1 Section 1. Section 2327 of the insurance law, as added by a chapter of
2 the laws of 2023 amending the insurance law relating to using driving
3 history as a rating or underwriting factor for private passenger motor
4 vehicle insurance, as proposed in legislative bills numbers S. 5764-B
5 and A. 4668-B, is amended to read as follows:

6 § 2327. Verification of driving history. No insurer who utilizes an
7 applicant's New York state driving history as a rating or underwriting
8 factor for private passenger motor vehicle insurance in this state shall
9 bind a policy of insurance, or ~~[accept]~~ process a percentage of the
10 annual premium due for a policy, without first making a good faith
11 effort to verify said applicant's New York state driving history, as
12 well as the New York state driving history of all named drivers that are
13 used to rate the policy and are listed by the applicant on the private
14 passenger motor vehicle insurance application, through the use of a
15 third-party database. An insurer also shall verify, through a third-party
16 database, the New York state driving history of a named driver used
17 to rate the policy when added during the policy period ~~[and shall verify
18 the driving history of all drivers used to rate the policy at policy
19 renewal]~~, unless the New York state driving history is unavailable at
20 the time of the initial inquiry due to a temporary website outage,
21 service interruption or other circumstances beyond the control of the
22 insurer, producer or third-party representative.

23 § 2. Section 2 of a chapter of the laws of 2023 amending the insurance
24 law relating to using driving history as a rating or underwriting factor

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

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1 for private passenger motor vehicle insurance, as proposed in legisla-
2 tive bills numbers S. 5764-B and A. 4668-B, is amended to read as
3 follows:

4 § 2. This act shall take effect on the one hundred eightieth day after
5 it shall have become a law and shall apply to policies issued [~~or~~
6 ~~renewed~~] on or after such date. Effective immediately, the addition,
7 amendment and/or repeal of any rule or regulation necessary for the
8 implementation of this act on its effective date are authorized to be
9 made and completed on or before such effective date.

10 § 3. This act shall take effect on the same date and in the same
11 manner as a chapter of the laws of 2023 amending the insurance law
12 relating to using driving history as a rating or underwriting factor for
13 private passenger motor vehicle insurance, as proposed in legislative
14 bills numbers S. 5764-B and A. 4668-B, takes effect.