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:

Section 1. Section 2327 of the insurance law, as added by 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, is amended to read as follows:

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

§ 2. Section 2 of a chapter of the laws of 2023 amending the insurance 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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for private passenger motor vehicle insurance, as proposed in legislative bills numbers S. 5764-B and A. 4668-B, is amended to read as follows:

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

§ 3. This act shall take effect on the same date and in the same manner as 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, takes effect.