STATE OF NEW YORK

8772

IN SENATE

March 11, 2024

Introduced by Sen. BAILEY -- 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 requiring insurance companies to provide detailed rationale for rate changes of certain state or municipal backed buildings

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

Section 1. The insurance law is amended by adding a new section 2354 to read as follows:

§ 2354. Notice of rate increase. 1. As used in this section, the term "state or municipal backed building or development" shall mean a building or development owned by the state or which is in any way subsidized by the state including, but not limited to, a building or development organized pursuant to article two of the private housing finance law, supervised by the New York city department of housing preservation and development, or supervised by the department of housing and community renewal.

2. No insurer shall impose an increased premium or rate for a policy or contract which includes coverage of a state or municipal backed building or development without providing written notice to all policyholders and any governmental entity supervising such building or development indicating the change in premiums or rates not less than sixty, but not more than one hundred twenty, days prior to the effective date of such premiums or rates. Such notice shall include, but not limited to, a detailed rationale for the change in premiums or rates and the formulation of the premium or rate change.

§ 2. This act shall take effect on the first of January next succeeding the date on which it shall have become a law and shall apply to all policies and contracts issued, renewed, modified, altered, or amended 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 date.

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

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