

# STATE OF NEW YORK

9021

## IN SENATE

April 10, 2024

Introduced by Sen. BRESLIN -- 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 supplemental spousal liability insurance

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

1 Section 1. Subsection (g) of section 3420 of the insurance law, as  
2 amended by chapter 735 of the laws of 2022, is amended to read as  
3 follows:

4 (g) (1) Except as otherwise provided in paragraph two of this  
5 subsection, no policy or contract shall be deemed to insure against any  
6 liability of an insured because of death of or injuries to [~~his or her~~]  
7 the insured's spouse or because of injury to, or destruction of property  
8 of [~~his or her~~] the insured's spouse unless express provision relating  
9 specifically thereto is included in the policy. This exclusion shall  
10 apply only where the injured spouse, to be entitled to recover, must  
11 prove the culpable conduct of the insured spouse.

12 (2) (A) [~~Every~~] (i) Upon payment of a reasonable premium established  
13 in accordance with article twenty-three of this chapter, an insurer  
14 issuing or delivering any policy that satisfies the requirements of  
15 article six of the vehicle and traffic law and is subject to section  
16 three thousand four hundred twenty-five of this article shall provide  
17 coverage in such a policy issued to a first named insured who has indi-  
18 cated that such insured has a spouse on the insurance application,  
19 against liability of an insured because of death of or injuries to [~~his~~  
20 ~~or her~~] the insured's spouse up to the liability insurance limits  
21 provided under such policy even where the injured spouse, to be entitled  
22 to recover, must prove the culpable conduct of the insured spouse,  
23 unless [~~the~~] a first named insured elects, in writing and in such form  
24 as the superintendent determines, to decline and refuse such coverage in  
25 [~~his or her~~] the first named insured's policy. Such insurance coverage  
26 shall be known as "supplemental spousal liability insurance".

27 (ii) Upon written request of an insured, and upon payment of a reason-  
28 able premium established in accordance with article twenty-three of this

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

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1 chapter, an insurer issuing or delivering any policy that satisfies the  
2 requirements of article six of the vehicle and traffic law, other than  
3 as specified in item (i) of this subparagraph, shall provide coverage in  
4 such a policy against liability of an insured because of death of or  
5 injuries to the insured's spouse up to the liability insurance limits  
6 provided under such policy even where the injured spouse, to be entitled  
7 to recover, must prove the culpable conduct of the insured spouse.

8 (B) Upon issuance[~~, renewal or amendment~~] of a motor vehicle liability  
9 policy that satisfies the requirements of article six of the vehicle and  
10 traffic law and is subject to section three thousand four hundred twen-  
11 ty-five of this article, the insurer shall notify [~~the~~] a first named  
12 insured who has indicated that such insured has a spouse on the insur-  
13 ance application, in writing, that such policy shall include supple-  
14 mental spousal liability insurance unless [~~the~~] a first named insured  
15 declines and refuses such insurance, in writing and in such form as  
16 shall be determined by the superintendent. Such notification shall be  
17 contained on the front of the premium notice in boldface type and  
18 include a concise statement that [~~supplementary~~] supplemental spousal  
19 liability coverage is provided unless declined by [~~the~~] a first named  
20 insured, an explanation of such coverage, and the insurer's premium for  
21 such coverage. A written declination shall apply to subsequent policy  
22 renewals unless a first named insured requests supplemental spousal  
23 liability insurance.

24 (C) A notification of the availability of supplemental spousal liabil-  
25 ity insurance shall be provided upon policy issuance, other than for the  
26 policies to which the notification requirement in subparagraph (B) of  
27 this paragraph applies, and at least once a year for all motor vehicle  
28 liability policies that satisfy the requirements of article six of the  
29 vehicle and traffic law, where the policy does not already provide  
30 supplemental spousal liability insurance. Such notice shall be  
31 contained on the front of the premium notice in boldface type and  
32 include a concise statement that supplemental spousal liability coverage  
33 is available, an explanation of such coverage, and the insurer's premium  
34 for such coverage.

35 § 2. This act shall take effect on the one hundred eightieth day after  
36 it shall have become a law and shall apply to policies issued on or  
37 after such date; provided, however that the amendments to subsection (g)  
38 of section 3420 of the insurance law made by section one of this act  
39 shall be subject to the expiration and reversion of such subsection  
40 pursuant to section 2 of chapter 735 of the laws of 2022, as amended.