

# STATE OF NEW YORK

9021--A

## 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 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

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

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

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1 insured's policy. Such insurance coverage shall be known as "supple-  
2 mental spousal liability insurance".

3 (ii) Upon written request of an insured, and upon payment of a reason-  
4 able premium established in accordance with article twenty-three of this  
5 chapter, an insurer issuing or delivering any policy that satisfies the  
6 requirements of article six of the vehicle and traffic law, other than  
7 as specified in item (i) of this subparagraph, shall provide coverage in  
8 such a policy against liability of an insured because of death of or  
9 injuries to the insured's spouse up to the liability insurance limits  
10 provided under such policy even where the injured spouse, to be entitled  
11 to recover, must prove the culpable conduct of the insured spouse.

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

26 (ii) Upon renewal or amendment of a motor vehicle liability policy  
27 that satisfies the requirements of article six of the vehicle and traf-  
28 fic law and has supplemental spousal liability coverage under the poli-  
29 cy, the insurer shall provide a notification to a first named insured  
30 that includes a concise statement that such policy includes supplemental  
31 spousal liability coverage unless declined by a first named insured in  
32 writing and in such form as shall be determined by the superintendent,  
33 an explanation of such coverage, and the insurer's premium for such  
34 coverage. Such notification shall be contained on the front of the  
35 premium notice in boldface type.

36 (iii) A written declination shall apply to subsequent policy renewals  
37 unless a first named insured requests supplemental spousal liability  
38 insurance.

39 (C) A notification of the availability of supplemental spousal liabil-  
40 ity insurance shall be provided upon policy issuance, other than for the  
41 policies to which the notification requirement in item (i) of subpara-  
42 graph (B) of this paragraph applies, and at least once a year for all  
43 motor vehicle liability policies that satisfy the requirements of arti-  
44 cle six of the vehicle and traffic law, where the policy does not  
45 already provide supplemental spousal liability insurance. Such notice  
46 shall be contained on the front of the premium notice in boldface type  
47 and include a concise statement that supplemental spousal liability  
48 coverage is available, an explanation of such coverage, and the insur-  
49 er's premium for such coverage.

50 § 2. This act shall take effect on the one hundred eightieth day after  
51 it shall have become a law and shall apply to policies issued,  
52 renewed or modified on or after such date; provided, however that the  
53 amendments to subsection (g) of section 3420 of the insurance law made  
54 by section one of this act shall be subject to the expiration and rever-  
55 sion of such subsection pursuant to section 2 of chapter 735 of the laws  
56 of 2022, as amended.