

STATE OF NEW YORK

4228

2023-2024 Regular Sessions

IN SENATE

February 6, 2023

Introduced by Sen. COONEY -- 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 summaries of readable and understandable insurance policies

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

1 Section 1. Section 3102 of the insurance law is amended by adding a
2 new subsection (g) to read as follows:

3 (g) Policy summary. (1) Every policy described in paragraph three or
4 four of subsection (a) of this section shall be accompanied, when deliv-
5 ered to a policyholder in this state, by a document printed in red font
6 and in typeface of no less than sixteen point type which sets forth: (A)
7 the limits of insurance; (B) the term of the policy; (C) the amount of
8 premium to be paid for the policy; (D) the amount of any deductible or
9 deductibles applicable before the policy will provide coverage; (E) the
10 principal exclusions from coverage under the policy; and (F) the follow-
11 ing statement: "THIS IS ONLY A SUMMARY OF YOUR POLICY. ALL TERMS AND
12 CONDITIONS OF THE POLICY WILL GOVERN AS TO THE SCOPE AND AMOUNT OF
13 COVERAGE UNDER THE POLICY. CONTACT YOUR AGENT, BROKER OR INSURER IF YOU
14 HAVE QUESTIONS". An insurer may use the declarations page of a policy to
15 provide the information required by this subsection.

16 (2) The information required to be delivered to a policyholder under
17 paragraph one of this section may be provided by an agent or broker so
18 authorized by an insurer, and may be sent electronically to the policy-
19 holder in accordance with section three thousand four hundred fifty-
20 eight of this chapter.

21 (3) Within one hundred eighty days from the enactment of this
22 subsection the superintendent shall issue a regulation specifying the
23 wording, filing and approval requirements for the document described in
24 paragraph one of this subsection.

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

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1 (4) Before issuing such regulation the superintendent shall appoint an
2 advisory committee on the summary of key personal lines property and
3 casualty policy provisions to be comprised of equal number of represen-
4 tatives from insurers or insurer associations, producers or producer
5 associations, consumers or consumer associations, and academic experts
6 on insurance regulation. Such advisory committee shall solicit and
7 review comments from the public on the content of such regulation and,
8 within two hundred ten days of the enactment of this subsection make
9 recommendations in writing to the superintendent as to the content of
10 such regulation.

11 (5) No insurer or producer complying with this subsection shall be
12 required by the superintendent, in any regulation, order, decision,
13 determination or other communication, to provide any additional summary
14 of the terms and conditions of the policy to a policyholder.

15 § 2. This act shall take effect on the first of October next succeed-
16 ing the date on which it shall have become a law and shall apply to all
17 policies and contracts issued, renewed, modified, altered or amended on
18 or after such date.