STATE OF NEW YORK

6760--B

2023-2024 Regular Sessions

IN SENATE

May 9, 2023

Introduced by Sen. HOYLMAN-SIGAL -- read twice and ordered printed, and when printed to be committed to the Committee on Consumer Protection -- recommitted to the Committee on Consumer Protection in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the general business law and the insurance law, in relation to insurance requirements for third-party food delivery service

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

Section 1. Section 391-v of the general business law, as added by chapter 693 of the laws of 2021, is amended to read as follows:

§ 391-v. Third-party food delivery agreements **and insurance requirements**. 1. For the purposes of this section, the following terms shall have the following meanings:

(a) "Agreement" means a written contractual agreement between a food service establishment and a third-party food delivery service authorizing the inclusion of the food service establishment's products on the third-party food delivery platform.

(b) **"Delivery available period" means the period when a delivery network driver:**

(i) has logged on to a digital network;

(ii) is available to receive requests to provide delivery services from a delivery network company;

(iii) is operating a personal vehicle; and

(iv) is not providing delivery services or operating in the delivery service period.

(c) "Delivery network company" means a corporation, partnership, sole proprietorship, or other entity that operates in this state and uses a

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

LBD10975-06-4

digital network to connect a delivery network company customer to a delivery network driver to provide delivery services.

(d) "Delivery network company customer" or "customer" means a person who orders goods that are delivered by a delivery network driver at the direction of such person.

(e) "Delivery network company seller" means a corporation, partnership, sole proprietorship, or other entity that operates in this state and uses a digital network to sell its goods to delivery network company customers, for delivery by delivery network drivers, which may be a food service establishment.

(f) "Delivery network driver" means an individual who provides independent delivery services through a digital network using a personal vehicle.

(g) "Delivery services" means the fulfillment of delivery requests made by a customer through a digital network, including the pickup of any goods and the delivery of the goods to a customer by a delivery network driver. Delivery services may include a series of deliveries to different customers, or to different locations at the direction of a customer.

(h) "Delivery service period" means the period:

(i) beginning when a delivery network driver starts operating a personal vehicle en route to pick up goods for a delivery or series of deliveries as documented via a digital network controlled by a delivery network company;

(ii) continuing while the delivery network driver transports the requested delivery or deliveries; and

(iii) ending upon delivery of the requested goods to:

(A) the delivery network company customer or the last delivery network company customer in a series of deliveries or to a location designated by the delivery network company customer or the last location so designated in a series of deliveries; or

(B) a location designated by the delivery network company, including for purposes of returning the goods.

(i) "Digital network" means any online-enabled application, software, website, or system offered or utilized by a delivery network company that enables deliveries with delivery network drivers.

(j) "Food service establishment" means a place where food is provided for individual portion service directly to the consumer whether such food is provided free of charge or sold, and whether consumption occurs on or off the premises or is provided from a pushcart, stand or vehicle.

[~~(c)~~](k) "Personal vehicle" means a motor vehicle or a limited use motorcycle as defined in section one hundred twenty-one-b of the vehicle and traffic law, that is:

(i) used by a delivery network driver to provide delivery services; and

(ii) owned, leased, or otherwise authorized for use by the delivery network driver.

(l) "Third-party food delivery service" means any [~~website, mobile application or other internet service~~] digital network operated by a delivery network company that offers or arranges for the sale (including for same-day pickup) or delivery (including same-day delivery) of products (including food and beverages) prepared by, [~~and the same-day delivery or same-day pickup of food and beverage from,~~] a food service establishment located in the state.

[~~(d)~~] (m) "Third-party food delivery platform" means the online or mobile platform of the third-party food delivery service on which a

consumer can view products available for sale and place an order for a food service establishment's products.

2. (a) A third-party food delivery service shall not list, advertise, promote, or sell a food service establishment's products, or arrange for the delivery of an order of such products, on a third-party food delivery platform without a valid agreement with the food service establishment **(or an authorized third-party agent or designee)** authorizing the inclusion of their products on such platform.

(b) An agreement executed in accordance with this section shall not include a provision, clause, or covenant that requires a food service establishment to indemnify a third-party food delivery service, any independent contractor [~~acting on behalf of the~~] **providing independent delivery services** third-party food delivery service, or any registered agent of the third-party food delivery service, for any damages or harm by an act or omission occurring after the food service establishment's product leaves the place of business of the food service establishment. To the extent an agreement contains such a provision, such provision shall be deemed void and unenforceable.

(c) A food service establishment included on a third-party food delivery platform in violation of this section shall have the right to bring an action in a court of competent jurisdiction for damages, penalties as set forth in this section, and injunctive relief. Such court, in its discretion, may also award reasonable court costs and attorneys' fees.

[~~(d)~~] **3. (a) A delivery network company shall ensure that, during the delivery available period, if it applies, and during the delivery service period, primary automobile liability insurance is in place that recognizes that the driver is a delivery network driver or that does not exclude coverage for use of a personal vehicle to provide deliveries.**

(b) During the delivery service period and delivery available period, the delivery network driver, delivery network company, or any combination of the two shall maintain a motor vehicle liability insurance policy that provides the coverage required under article fifty-three of the insurance law during the delivery available period and delivery service period in amounts not less than:

(i) For bodily injury and property damage to third parties:

(A) fifty thousand dollars ($50,000) or the amount required under paragraph one of subsection (a) of section five thousand three hundred three of the insurance law, whichever is greater, for all damages arising out of bodily injury sustained by any one person as a result of any one accident;

(B) one hundred thousand dollars ($100,000) or the amount required under paragraph one of subsection (a) of section five thousand three hundred three of the insurance law, whichever is greater, for all damages arising out of bodily injury sustained by all persons as a result of any one accident; and

(C) twenty-five thousand dollars ($25,000) or the amount required under paragraph two of subsection (a) of section five thousand three hundred three of the insurance law, whichever is greater, for all damages arising out of damage to or destruction of property as a result of any one accident.

(ii) For basic reparation benefits, the amount set forth in paragraphs three and four of subsection (a) of section five thousand three hundred three of the insurance law.

(c) If the insurance coverage maintained by a delivery network driver in accordance with paragraphs (a) and (b) of this subdivision has lapsed

or does not provide the required coverage, insurance maintained by the delivery network company shall:

(i) provide the coverage required by paragraphs (a) and (b) of this subdivision beginning with the first dollar of a claim; and

(ii) have the duty to defend a claim made under the coverage provided under paragraph (b) of this subdivision.

(d) Coverage under an automobile insurance policy maintained by the delivery network company shall not be dependent upon another motor vehicle liability insurer first denying a claim, nor shall another motor vehicle liability insurance policy be required to first deny a claim.

(e) Insurance coverage required by this section may be obtained from an insurance company duly licensed to transact business under the insurance laws of this state or by an eligible excess lines broker licensed under section two thousand one hundred five of the insurance law. Insurance coverage required by this section may be obtained through a group policy maintained by the delivery network company.

(f) The coverage required pursuant to paragraphs (a) and (b) of this subdivision shall be deemed to meet the requirements for financial responsibility under the vehicle and traffic law.

(g) A delivery network driver shall carry proof of insurance required pursuant to paragraphs (a) and (b) of this subdivision at all times while using a personal vehicle in connection with a digital network. In the event of an accident, a delivery network driver shall, upon request, provide insurance coverage information to the directly interested parties, automobile insurers, and investigating law enforcement officers. The insurance coverage information may be displayed or provided in either paper or electronic form as provided by regulation of the commissioner of motor vehicles. A delivery network driver shall, upon request, disclose to the directly interested parties, automobile insurers, and investigating law enforcement officers whether the driver was operating during the delivery available period or the delivery service period at the time of the accident.

(h) In a claims coverage investigation, a delivery network company or its insurer shall cooperate with all insurers that are involved in the claims coverage investigation to facilitate the exchange of information and shall immediately provide upon request by directly involved parties or any insurer the precise times that a delivery network driver began and ended the delivery available period and/or the delivery service period on the delivery network company's digital network in the twelve-hour period immediately preceding the accident and in the twelve-hour period immediately following the accident. Insurers potentially providing the coverage required by this subdivision shall disclose upon request by any other such insurer involved in the particular claim, the applicable coverages, exclusions, and limits provided under any automobile insurance maintained in order to satisfy the requirements of this subdivision.

(i) The insurer or insurers of a delivery network company providing coverage under paragraphs (a) and (b) of this subdivision shall assume primary liability for a claim when a dispute exists as to when the delivery available period and/or the delivery service period began or ended and the delivery network company does not have available, did not retain, or fails to provide the information required by paragraph (h) of this subdivision.

(j) A delivery network company shall also maintain commercial general liability insurance with a limit of no less than one million dollars for each occurrence and two million dollars aggregate that includes coverage

for the delivery network company's liability for injuries arising out of the use of an electric scooter, as defined in section one hundred fourteen-e of the vehicle and traffic law, or bicycle with electric assist, as defined in section one hundred two-c of the vehicle and traffic law.

4. (a) A delivery network company shall not be deemed to control, direct, or manage a personal vehicle or delivery network driver that connects to the company's digital network, except where agreed to by written contract.

(b) A delivery network company shall not permit a delivery network driver to engage in delivery services on the company's digital network until the company discloses in writing to the driver:

(i) the insurance coverage, including the types of coverage and the limits for each coverage, that the company provides while the driver uses a personal vehicle in connection with the company's digital network; and

(ii) that the driver's own motor vehicle liability insurance policy might not provide any coverage during a delivery available period, if applicable, or a delivery service period.

(c) A delivery network company has no disclosure obligation to any person which is not expressly mandated by this subdivision.

5. (a) Nothing in subdivision three or four of this section shall be construed to:

(i) invalidate or limit an exclusion contained in a motor vehicle liability insurance policy, including any policy in use or approved for use that excludes coverage for motor vehicles used for delivery, or for any business use; or

(ii) invalidate, limit, or restrict an insurer's ability under existing law to underwrite any insurance policy, or cancel and/or non-renew policies.

(b) Nothing in subdivision three or four of this section limits the scope of federal or state law regarding the delivery or transport of goods. Deliveries made pursuant to this section that are subject to federal or state law regarding the delivery or transport of goods shall also comply with the requirements of those laws. In the event of a conflict between subdivision three or four of this section and another law dealing with the delivery or transport of goods, the other law prevails.

6. (a) Any person that knowingly violates [~~any provision~~] subdivision two of this section shall be subject to a civil penalty of up to one thousand dollars per violation. Each day [~~a~~] that each food service establishment is included on a third-party food delivery platform [~~and each food service establishment included on a third-party food delivery platform~~] shall be considered a separate violation.

(b) The third-party delivery service that violates subdivision three of this section shall be subject to a civil penalty of up to one thousand dollars per violation. Each delivery begun or completed without the financial responsibility requirements required by subdivision three of this section shall be considered a separate violation.

§ 2. The insurance law is amended by adding a new section 3459-a to read as follows:

§ 3459-a. Delivery service exclusions for motor vehicle insurance policies. (a) The definitions set forth in section three hundred ninety-one-v of the general business law shall apply to this section.

(b) Notwithstanding any other provision of law to the contrary, an authorized insurer that writes motor vehicle liability insurance in the state may exclude any and all coverage and the duty to defend or indem-

nify for any injury or loss that occurs during the delivery available period and the delivery service period, including but not limited to:

(1) liability coverage for bodily injury and property damage;

(2) coverage provided pursuant to article fifty-one of this chapter;

(3) uninsured motorist coverage;

(4) supplementary uninsured/underinsured motorist coverage; and

(5) motor vehicle physical damage coverage as described in paragraph nineteen of subsection (a) of section one thousand one hundred thirteen of this chapter.

(c) Nothing in this article shall invalidate or limit an exclusion contained in a motor vehicle insurance policy, including any insurance policy in use or approved for use that shall exclude coverage for motor vehicles made available for rent, sharing, hire or any business use.

(d) Nothing in this section invalidates or limits an exclusion contained in a motor vehicle liability insurance policy, including any insurance policy in use or approved for use that excludes coverage for motor vehicles used for delivery or for any business use.

(e) Nothing in this section invalidates, limits or restricts an insurer's ability under existing law to underwrite any insurance policy. Nothing in this section invalidates, limits or restricts an insurer's ability under existing law to cancel and non-renew policies.

(f) A motor vehicle liability insurer that defends or indemnifies a claim against a delivery network driver that is excluded under the terms of its policy shall have the right to seek recovery against the insurer providing coverage under paragraphs (a) and (b) of subdivision three of section three hundred ninety-one-v of the general business law if the claim:

(i) occurs during the delivery available period or the delivery service period; and

(ii) is excluded under the terms of its policy.

§ 3. Section 3455 of the insurance law, as added by section 6 of part AAA of chapter 59 of the laws of 2017, is amended to read as follows:

§ 3455. Transportation network company group insurance policies. (a) For purposes of this section, the following definitions shall apply:

(1) "Transportation network company" shall have the same meaning as set forth in article forty-four-B of the vehicle and traffic law.

(2) "Certificate" or "certificate of insurance" means any policy, contract or other evidence of insurance, or endorsement thereto, issued to a group member under a transportation network company group policy or a delivery network company group policy.

(3) "Transportation network company group policy" or "group policy" means a group policy, including certificates issued to the group members, where the group policyholder is a transportation network company and the policy provides insurance to the transportation network company and to group members:

(A) in accordance with the requirements of article forty-four-B of the vehicle and traffic law;

(B) of the type described in paragraph thirteen, fourteen, or nineteen of subsection (a) of section one thousand one hundred thirteen of this chapter; and

(C) in satisfaction of the financial responsibility requirements set forth in section three thousand four hundred twenty of this article, subdivision four of section three hundred eleven of the vehicle and traffic law, article fifty-one of this chapter, and such other requirements or regulations that may apply for the purposes of satisfying the

financial responsibility requirements with respect to the use or operation of a motor vehicle.

(4) "Group member" means a transportation network company driver as defined in article forty-four-B of the vehicle and traffic law**, and/or a delivery network driver as defined in section three hundred ninety-one-v of the general business law**.

(5) "Group policyholder" means a transportation network company **and/or a delivery network company**.

(6) "TNC vehicle" shall have the meaning set forth in article forty-four-B of the vehicle and traffic law.

(7) "Delivery network company" shall have the same meaning as set forth in section three hundred ninety-one-v of the general business law.

(8) "Delivery network company group policy" means a group policy, including certificates issued to the group members, where the group policyholder is a delivery network company and the policy provides insurance to the delivery network company and to group members:

(A) in accordance with the requirements of section three hundred ninety-one-v of the general business law;

(B) of the type described in paragraph thirteen, fourteen, or nineteen of subsection (a) of section one thousand one hundred thirteen of this chapter; and

(C) in satisfaction of the financial responsibility requirements set forth in section three thousand four hundred twenty of this article, subdivision four of section three hundred eleven of the vehicle and traffic law, article fifty-one of this chapter, and such other requirements or regulations that may apply for the purposes of satisfying the financial responsibility requirements with respect to the use or operation of a motor vehicle.

(9) "Personal vehicle" shall have the meaning set forth in section three hundred ninety-one-v of the general business law.

(10) "Group policy" means a transportation network company group policy and/or a delivery network company group policy.

(b) An insurer may issue or issue for delivery in this state a transportation network company group policy to a transportation network company**, or a delivery network company group policy to a delivery network company,** as a group policyholder only in accordance with the provisions of this section.

(c)(1) A transportation network company group policy shall provide coverage for a TNC vehicle in accordance with the requirements of article forty-four-B of the vehicle and traffic law.

(2) A transportation network company group policy may provide:

(A) coverage for limits higher than the minimum limits required pursuant to article forty-four-B of the vehicle and traffic law.

(B) supplementary uninsured/underinsured motorists insurance for bodily injury pursuant to paragraph two of subsection (f) of section three thousand four hundred twenty of this article;

(C) supplemental spousal liability insurance pursuant to subsection (g) of section three thousand four hundred twenty of this [~~chapter~~] **article**; and

(D) motor vehicle physical damage coverage as described in paragraph nineteen of subsection (a) of section one thousand one hundred thirteen of this chapter.

(3) **A delivery network company group policy shall provide coverage for a personal vehicle in accordance with the requirements of section three hundred ninety-one-v of the general business law.**

(4) A delivery network company group policy may provide:

(A) coverage for limits higher than the minimum limits required pursuant to section three hundred ninety-one-v of the general business law.

(B) supplementary uninsured/underinsured motorists insurance for bodily injury pursuant to paragraph two of subsection (f) of section three thousand four hundred twenty of this article;

(C) supplemental spousal liability insurance pursuant to subsection (g) of section three thousand four hundred twenty of this article; and

(D) motor vehicle physical damage coverage as described in paragraph nineteen of subsection (a) of section one thousand one hundred thirteen of this chapter.

(5) The coverage described in paragraphs one [~~and two~~] through four of this subsection may be provided in one group policy or in separate group policies.

[~~(4)~~] (6) A transportation network company group policy, including certificates, or a delivery network company group policy, including certificates, shall be issued by authorized insurers or from excess line brokers pursuant to section sixteen [~~six~~] hundred ninety-three of the vehicle and traffic law.

[~~(5)~~] (7) A policyholder also may be an insured under a group policy.

(d) The premium for the transportation network company group policy or the delivery network company group policy, including certificates may be paid by the group policyholder from the funds contributed:

(1) wholly by the group policyholder;

(2) wholly by the group members; or

(3) jointly by the group policyholder and the group members.

(e) (1) Any policy dividend, retrospective premium credit, or retrospective premium refund in respect of premiums paid by the group policyholder may:

(A) be applied to reduce the premium contribution of the group policyholder, but not in excess of the proportion to its contribution; or

(B) be retained by the group policyholder.

(2) Any policy dividend, retrospective premium credit, or retrospective premium refund not distributed under paragraph one of this subsection shall be:

(A) applied to reduce future premiums and, accordingly, future contributions, of existing or future group members, or both; or

(B) paid or refunded to those group members insured on the date the payment or refund is made to the group policyholder, if distributed by the group policyholder, or on the date of mailing, if distributed directly by the insurer, subject to the following requirements:

(i) The insurer shall be responsible for determining the allocation of the payment of refund to the group members;

(ii) If the group policyholder distributes the payment or refund, the insurer shall be responsible for audit to ascertain that the payment or refund is actually made in accordance with the allocation procedure; and

(iii) If the group policyholder fails to make the payment or refund, the insurer shall make the payment or refund directly or use the method provided in subparagraph (A) of this paragraph.

(3) Notwithstanding paragraphs one and two of this subsection, if a dividend accrues upon termination of coverage under a transportation network company group policy or delivery network company group policy, the premium for which was paid out of funds contributed by group members specifically for the coverage, the dividend shall be paid or refunded by the group policyholder to the group members insured on the date the payment or refund is made to the group policyholder, net of reasonable

expenses incurred by the group policyholder in paying or refunding the dividend to such group members.

(4) For the purposes of this subsection, "dividend" means a return by the insurer of a transportation network company group policy **or delivery network company group policy** of excess premiums to the group policyholder in light of favorable loss experience, including retrospective premium credits or retrospective premium refunds. The term "dividend" does not include reimbursements or fees received by a group policyholder in connection with the operation or administration of a transportation network company group policy **or delivery network company group policy**, including administrative reimbursements, fees for services provided by the group policyholder, or transactional service fees.

(f) The insurer shall treat in like manner all eligible group members of the same class and status.

(g) Each policy written pursuant to this section shall provide per occurrence limits of coverage for each group member in an amount not less than that required by this article, and may provide coverage for limits higher than the minimum limits required under the law.

(h) (1) The insurer shall be responsible for mailing or delivery of a certificate of insurance to each group member insured under the transportation network company group policy **or delivery network company group policy**, provided, however, that the insurer may delegate the mailing or delivery to the transportation network company **or delivery network company**. The insurer shall also be responsible for the mailing or delivery to each group member of an amended certificate of insurance or endorsement to the certificate, whenever there is a change in limits; change in type of coverage; addition, reduction, or elimination of coverage; or addition of exclusion, under the transportation network company group policy or certificate **or the delivery network company group policy or certificate**.

(2) The certificate shall contain in substance all material terms and conditions of coverage afforded to group members, unless the transportation network company group policy **or delivery network company group policy** is incorporated by reference and a copy of the group policy accompanies the certificate.

(3) If any coverage afforded to the group member is excess of applicable insurance coverage, the certificate shall contain a notice advising the group members that, if the member has other insurance coverage, specified coverages under the transportation network company group policy **or delivery network company group policy** will be excess over the other insurance.

(i) A group policyholder shall comply with the provisions of section two thousand one hundred twenty-two of this chapter, in the same manner as an agent or broker, in any advertisement, sign, pamphlet, circular, card, or other public announcement referring to coverage under a transportation network company group policy or certificate **or delivery network company group policy or certificate**.

(j) A transportation network company group policy **or delivery network company group policy** shall not be subject to section three thousand four hundred twenty-five or section three thousand four hundred twenty-six of this article; provided that the following requirements shall apply with regard to termination of coverage:

(1)(A) An insurer may terminate a group policy or certificate only if cancellation is based on one or more of the reasons set forth in subparagraph (A) through (D) or (F) through (H) of paragraph one of subsection (c) of section three thousand four hundred twenty-six of this article;

provided, however, that an act or omission by a group member that would constitute the basis for cancellation of an individual certificate shall not constitute the basis for cancellation of the group policy.

(B) Where the premium is derived wholly from funds contributed by the group policyholder, an insurer may cancel an individual certificate only if cancellation is based on one or more of the reasons set forth in subparagraph (B), (C) or (H) of paragraph one of subsection (c) of section three thousand four hundred twenty-six of this article.

(2) (A) An insurer's cancellation of a group policy, including all certificates, shall not become effective until thirty days after the insurer mails or delivers written notice of cancellation to the group policyholder at the mailing address shown in the policy.

(i) Where all or part of the premium is derived from funds contributed by the group member specifically for the coverage, the insurer shall also mail or deliver written notice of cancellation of the group policy to the group member at the group member's mailing address. Such cancellation shall not become effective until thirty days after the insurer mails or delivers the written notice to the group member.

(ii) Where none of the premium is derived from funds contributed by a group member specifically for the coverage, the group policy holder shall mail or deliver written notice to the group member advising the group member of the cancellation of the group policy and the effective date of cancellation. The group policy holder shall mail or deliver the written notice within ninety days after receiving notice of cancellation from the insurer.

(B) An insurer's cancellation of an individual certificate shall not become effective until thirty days after the insurer mails or delivers written notice of cancellation to the group member at the group member's mailing address and to the group policyholder at the mailing address shown in the group policy.

(3) (A) A group policyholder may cancel a group policy, including all certificates, or any individual certificate, for any reason upon thirty days written notice to the insurer and each group member; and

(B) The group policyholder shall mail or deliver written notice to each affected group member of the group policyholder's cancellation of the group policy or certificate and the effective date of cancellation. The group policyholder shall mail or deliver the written notice to the group member's mailing address at least thirty days prior to the effective date of cancellation.

(4) (A) Unless a group policy provides for a longer policy period, the policy and all certificates shall be issued or renewed for a one-year policy period.

(B) The group policyholder shall be entitled to renew the group policy and all certificates upon timely payment of the premium billed to the group policyholder for the renewal, unless:

(i) the insurer mails or delivers to the group policyholder and all group members written notice of nonrenewal, or conditional renewal; and

(ii) the insurer mails or delivers the written notice at least thirty, but not more than one hundred twenty days prior to the expiration date specified in the policy or, if no date is specified, the next anniversary date of the policy.

(5) Where the group policyholder nonrenews the group policy, the group policyholder shall mail or deliver written notice to each group member advising the group member of nonrenewal of the group policy and the effective date of nonrenewal. The group policyholder shall mail or deliver written notice at least thirty days prior to the nonrenewal.

(6) Every notice of cancellation, nonrenewal, or conditional renewal shall set forth the specific reason or reasons for cancellation, nonrenewal, or conditional renewal.

(7) (A) An insurer shall not be required under this subsection to give notice to a group member if the insurer has been advised by either the group policyholder or another insurer that substantially similar coverage has been obtained from the other insurer without lapse of coverage.

(B) A group policyholder shall not be required under this subsection to give notice to a group member if substantially similar coverage has been obtained from another insurer without lapse of coverage.

(8) (A) If, prior to the effective date of cancellation, nonrenewal, or conditional renewal of the group policy, or a certificate, whether initiated by the insurer, group policyholder or by the group member in regard to the group member's certificate, coverage attaches pursuant to the terms of a group policy, then the coverage shall be effective until expiration of the applicable period of coverage provided in the group policy notwithstanding the cancellation, nonrenewal or conditional nonrenewal of the group policy.

(B) Notwithstanding subparagraph (A) of this paragraph, an insurer may terminate coverage under an individual certificate on the effective date of cancellation, if the certificate is cancelled in accordance with the provisions of subparagraph (B) of paragraph one of this subsection.

(k) Any mailing or delivery to a group member required or permitted under this section may be made by electronic mail if consent to such method of delivery has been previously received from such group member.

(l) **(1)** An insurer may issue a transportation network company group policy to a transportation network company, notwithstanding that it may be a condition of operating a vehicle on the transportation network company's digital network for the TNC driver to participate in such group policy.

(2) An insurer may issue a delivery network company group policy to a delivery network company, notwithstanding that it may be a condition of operating a vehicle on the delivery network company's digital network for the delivery network driver to participate in such group policy.

(m) An insurer shall not include a mandatory arbitration clause in a policy that provides financial responsibility coverage under this section except as permitted in section five thousand one hundred five of [~~the insurance law~~] **this chapter**.

§ 4. This act shall take effect one year after it shall have become a law.