

# STATE OF NEW YORK

7748--A

2023-2024 Regular Sessions

## IN SENATE

November 13, 2023

Introduced by Sens. BRESLIN, ADDABBO -- read twice and ordered printed, and when printed to be committed to the Committee on Rules -- recommitted to the Committee on Insurance in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the insurance law, in relation to wireless communications equipment insurance

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

1 Section 1. Section 3449 of the insurance law, as added by chapter 426  
2 of the laws of 2005, is amended to read as follows:

3 § 3449. Wireless communications equipment insurance policies. (a) In  
4 this section, the [~~term "policy"~~] term:

5 (1) "Policy of wireless communications equipment insurance" means an  
6 insurance policy covering the kind of insurance described in [~~subsection~~  
7 (1)] paragraph two of subsection (d) of section two thousand one hundred  
8 thirty-one of this chapter.

9 (2) "Wireless communications equipment" shall have the same meaning as  
10 described in section two thousand one hundred thirty-one of this chap-  
11 ter.

12 (3) "Wireless communications equipment protection plan member" means  
13 any individual who purchased a wireless communications equipment  
14 protection plan and such wireless communications protection equipment  
15 plan has not expired or been terminated.

16 (4) "Wireless communications equipment protection plan" means an  
17 optional plan offered for sale by a wireless communications equipment  
18 vendor licensed pursuant to section two thousand one hundred thirty-one  
19 of this chapter and the plan provides:

20 (A) a policy of wireless communications equipment insurance covering  
21 the wireless communications equipment under a group policy subject to

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

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1 this section where the wireless communications equipment vendor is the  
2 group policyholder;

3 (B) a service contract subject to article seventy-nine of this chap-  
4 ter, provided that the service contract provider or its affiliate recy-  
5 cles, reuses, or disposes the wireless communications equipment in  
6 accordance with section 27-2303 of the environmental conservation law,  
7 as added by chapter seven hundred thirty of the laws of two thousand  
8 six; and

9 (C) may include one or more of the following:

10 (i) a wireless communications equipment upgrade program, provided that  
11 the program recycles, reuses, or disposes the wireless communications  
12 equipment in accordance with section 27-2303 of the environmental  
13 conservation law, as added by chapter seven hundred thirty of the laws  
14 of two thousand six;

15 (ii) technical support with respect to the wireless communications  
16 equipment; and

17 (iii) any other services related to the use of the wireless communi-  
18 cations equipment that the superintendent deems to be meaningful and  
19 appropriate, in accordance with subsection (h) of this section.

20 (5) "Wireless communications equipment vendor" means a retail seller,  
21 manufacturer or distributor of the wireless communications equipment or  
22 the entity providing the telecommunications service that is licensed  
23 pursuant to section two thousand one hundred thirty-one of this chapter.

24 (b) (1) A group policy of wireless communications equipment insurance,  
25 and certificates issued thereunder, may be issued only by an authorized  
26 insurer.

27 (2) A group policy of wireless communications equipment insurance may  
28 only be issued to a wireless communications equipment vendor.

29 (3) A group policy of wireless communications equipment insurance may  
30 be offered on a stand-alone basis or as part of a wireless communi-  
31 cations equipment protection plan.

32 (c) Where a group policy of wireless communications equipment insur-  
33 ance is provided as part of a wireless communications equipment  
34 protection plan, the premium for the group policy, including certif-  
35 icates, may be paid by the group policyholder from funds contributed:

36 (1) wholly by the group policyholder;

37 (2) wholly by the wireless communications equipment protection plan  
38 members; or

39 (3) jointly by the group policyholder and wireless communications  
40 equipment protection plan members.

41 (d) For the purposes of this section, a wireless communications equip-  
42 ment protection plan member shall be a certificate holder of wireless  
43 communications insurance and a service contract holder as defined in  
44 section seven thousand nine hundred two of this chapter.

45 (e) (1) A group policy of wireless communications equipment insurance,  
46 and certificates issued thereunder, [~~of wireless communications equip-~~  
47 ~~ment insurance~~] shall not be subject to the provisions of section three  
48 thousand four hundred twenty-five or three thousand four hundred twen-  
49 ty-six of this article.

50 (2) An insurer shall not terminate or otherwise change the terms and  
51 conditions of a group policy of wireless communications equipment insur-  
52 ance, and certificates issued thereunder, whether offered on a stand-al-  
53 one basis or as part of a wireless communications equipment protection  
54 plan, except upon providing the policyholder and certificate holders  
55 with at least sixty days notice. If the insurer changes the terms and  
56 conditions, then the insurer shall provide the policyholder with a

1 revised policy or endorsement and each certificate holder with a revised  
2 certificate or endorsement, an updated brochure or facsimile thereof and  
3 an explanation of the changes.

4 (3) Notwithstanding paragraph two of this subsection, an insurer may  
5 terminate a certificate upon fifteen days notice for:

6 (A) nonpayment of premium; or

7 (B) discovery of fraud or material misrepresentation in obtaining the  
8 certificate or in the presentation of a claim thereunder.

9 (4) Notwithstanding paragraph two of this subsection, an insurer may  
10 automatically terminate a certificate if the certificate holder:

11 (A) ceases to have active telecommunications service with the wireless  
12 communications equipment vendor; or

13 (B) exhausts the aggregate limit of liability, if any, under the  
14 certificate and the insurer sends notice of termination to the certifi-  
15 cate holder within fifteen business days after exhaustion of the limit.  
16 However, if notice is not timely sent, coverage shall continue notwith-  
17 standing the aggregate limit of liability until the insurer sends notice  
18 of termination to the certificate holder.

19 (5) Notwithstanding paragraph two of this subsection, an insurer may  
20 terminate a certificate of wireless communications equipment insurance  
21 upon the termination of a wireless communications equipment protection  
22 plan by a wireless communications equipment protection plan member when  
23 the insurance is provided as part of such a plan program and the wire-  
24 less communications equipment protection plan member had been provided  
25 clear and express notice in the plan documents when the plan was  
26 initially purchased that the certificate of wireless communications  
27 equipment insurance will cease upon termination of the wireless communi-  
28 cations equipment protection plan program. The insurer may give the  
29 wireless communications equipment protection plan member the option to  
30 purchase a policy of wireless communications insurance on a stand-alone  
31 basis.

32 (6) Notwithstanding the provisions of subparagraph (B) of paragraph  
33 four of this subsection, upon the request of a certificate holder, the  
34 certificate holder's coverage shall be eligible for reinstatement not  
35 more than twelve months following the date of exhaustion of the coverage  
36 limit in accordance with the terms of the policy and subject to the  
37 enrollment criteria then applicable to prospective certificate holders  
38 generally.

39 ~~(6)~~ (7) Where the group policy of a wireless communications equip-  
40 ment insurance, whether offered on a stand-alone basis or as part of a  
41 wireless communications protection equipment plan, is terminated by the  
42 policyholder, the policyholder shall mail or deliver written notice to  
43 each certificate holder advising the certificate holder of the termi-  
44 nation of the group policy and the effective date of termination. The  
45 written notice shall be mailed or delivered to the certificate holder at  
46 least thirty days prior to the termination.

47 ~~(e)~~ (f) Whenever notice is required pursuant to this section, it  
48 shall be in writing and mailed or delivered to the policyholder at the  
49 policyholder's mailing address and to affected certificate holders at  
50 the certificate holders' last known mailing addresses on file with the  
51 insurer or delivered by electronic means pursuant to section three thou-  
52 sand four hundred fifty-eight of this chapter. Every notice of termi-  
53 nation shall specify the reason or reasons for termination.

54 ~~(d)~~ (g) (1) Notwithstanding subsection ~~(e)~~ (f) of this section, an  
55 insurer shall not be required to give notice of termination to the  
56 certificate holder if the insurer has been advised by either the policy-

1 holder or another insurer that substantially similar coverage has been  
2 obtained from the other insurer without lapse of coverage.

3 (2) A policyholder shall not be required to give notice of termination  
4 to a certificate holder if substantially similar coverage has been  
5 obtained from another insurer without lapse of coverage.

6 [~~e~~] (h) The superintendent may promulgate regulations regarding  
7 policies of wireless communications equipment insurance, including, but  
8 not limited to, regulations governing policy terms and conditions, the  
9 inclusion of such policies in wireless communications equipment  
10 protection plans, treatment of dividends, and may establish other  
11 reasonable limitations.

12 § 2. This act shall take effect on the one hundred eightieth day after  
13 it shall have become a law.