STATE OF NEW YORK

9421

IN SENATE

May 15, 2024

Introduced by Sen. BRESLIN -- (at request of the Department of Financial Services) -- 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 anti-concurrent causation clauses

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

Section 1. The insurance law is amended by adding a new section 3416 to read as follows:

§ 3416. Anti-concurrent causation clauses; water back up or discharge. (a) When an insurance policy provides coverage for loss of or damage to property resulting from water or water-borne material that backs up through sewers or drains, or overflows or is discharged from a sump, sump pump, or related equipment, the policy shall not exclude coverage for any loss of or damage to property resulting from the foregoing on the ground that the loss or damage also may have been caused directly or indirectly by an excluded peril contributing concurrently or in any sequence to cause the loss.

(b) For the purpose of this section, "insurance policy" shall mean a policy issued or issued for delivery in this state that provides coverage for: (1) loss of or damage to real property used predominately for residential purposes and that consists of not more than four dwelling units, other than hotels and motels; or (2) loss of or damage to personal property in which natural persons have an insurable interest, except personal property used in the conduct of business.

§ 2. This act shall take effect on the ninetieth day after it shall have become a law and shall apply to all policies issued or renewed on or after such date.

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

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