

STATE OF NEW YORK

9481

IN SENATE

May 16, 2024

Introduced by Sen. MAYER -- (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 authorizing stand-alone business interruption insurance

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

1 Section 1. Paragraph 34 of subsection (a) of section 1113 of the
2 insurance law, as renumbered by chapter 359 of the laws of 2021, is
3 renumbered paragraph 35 and a new paragraph 34 is added to read as
4 follows:

5 (34) "Business interruption insurance" means insurance against loss of
6 use and occupancy, rents, and profits resulting from a business closure
7 due to: (A) loss of or damage to insured or neighboring property; (B) an
8 act or threatened act of violence while the perpetrator is on the busi-
9 ness premises; or (C) a government order.

10 § 2. Subsection (a) of section 2105 of the insurance law, as amended
11 by chapter 359 of the laws of 2021, is amended to read as follows:

12 (a) The superintendent may issue an excess line broker's license to
13 any person, firm, association or corporation who or which is licensed as
14 an insurance broker under section two thousand one hundred four of this
15 article, or who or which is licensed as an excess line broker in the
16 licensee's home state, provided, however, that the applicant's home
17 state grants non-resident licenses to residents of this state on the
18 same basis, except that reciprocity is not required in regard to the
19 placement of liability insurance on behalf of a purchasing group or any
20 of its members; authorizing such person, firm, association or corpo-
21 ration to procure, subject to the restrictions herein provided, policies
22 of insurance from insurers [~~which~~ that are not authorized to transact
23 business in this state of the kind or kinds of insurance specified in
24 paragraphs four through fourteen, sixteen, seventeen, nineteen, twenty,
25 twenty-two, twenty-seven, twenty-eight, thirty-one, thirty-two [~~and~~],
26 thirty-three and thirty-four of subsection (a) of section one thousand
27 one hundred thirteen of this chapter and in subsection (h) of this

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

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1 section, provided, however, that the provisions of this section and
 2 section two thousand one hundred eighteen of this article shall not
 3 apply to ocean marine insurance and other contracts of insurance enumer-
 4 ated in subsections (b) and (c) of section two thousand one hundred
 5 seventeen of this article. Such license may be suspended or revoked by
 6 the superintendent whenever in [~~his or her~~] the superintendent's judg-
 7 ment such suspension or revocation will best promote the interests of
 8 the people of this state.

9 § 3. Subsection (a) of section 4101 of the insurance law is amended to
 10 read as follows:

11 § 4101. Definitions. In this article: (a) "Basic kinds of insurance"
 12 means the kinds of insurance described in the following paragraphs of
 13 subsection (a) of section one thousand one hundred thirteen of this
 14 chapter numbered therein as set forth in parentheses below:

15 fire (4);
 16 burglary and theft (7);
 17 glass (8);
 18 boiler and machinery (9);
 19 elevator (10);
 20 animal (11);
 21 personal injury liability (13);
 22 property damage liability (14) - basic as to stock companies only;
 23 workers' compensation and employers' liability (15);
 24 fidelity and surety (16);
 25 credit (17);
 26 marine and inland marine (20);
 27 marine protection and indemnity (21) - basic as to mutual companies
 28 only;
 29 business interruption insurance (34).

30 § 4. Group A of table one of paragraph 1 of subsection (a) of section
 31 4103 of the insurance law, as amended by chapter 359 of the laws of
 32 2021, is amended to read as follows:

33 Group A:

34 7	\$300,000	\$150,000
35 8, 9, 10, 11, or 14 - for each such kind	\$100,000	\$ 50,000
36 13 or 15 - for each such kind	\$500,000	\$250,000
37 16	\$900,000	\$450,000
38 17	\$400,000	\$200,000
39 Basic additional amount 40 required for any one 41 or more of the above 42 kinds of insurance	\$100,000	\$ 50,000
43 3(i), 3(ii), 6{1} or 12{2} - for each 44 such kind	\$100,000	\$ 50,000
45 22	\$2,000,000	\$1,000,000
46 24	\$400,000	\$200,000
47 26(B)	\$200,000	\$100,000
48 26(A), 26(C) or 26(D) - 49 for each such kind	\$600,000	\$300,000
50 27	\$300,000	\$150,000
51 28	\$2,000,000	\$1,000,000
52 30	\$400,000	\$200,000
53 31	\$100,000	\$ 50,000

1 32 \$100,000 \$ 50,000
 2 33 \$100,000 \$ 50,000
 3 34 \$2,000,000 \$1,000,000

4 § 5. Table two of paragraph 1 of subsection (a) of section 4107 of the
 5 insurance law, as amended by chapter 805 of the laws of 1984, is amended
 6 to read as follows:

7 TABLE TWO

8 Kind of 9 insurance 10 specified 11 in the 12 following 13 numbered paragraphs 14 of subsection (a) 15 of § 1113	16 Num- ber of Mem- bers	17 Number of Appli- cations	18 Num- ber of Sep- arate Risks	19 Number of Insur- ance Poli- cies	20 Initial Surplus	21 Minimum Surplus to be Maintained	22 Other Requirements
19 4	50	300	300	--	\$ 300,000{1}	\$ 200,000{1}	see note{2}
20 7	20	20	200	20	\$ 300,000	\$ 200,000	see note{3}
21 8	20	20	300	20	\$ 150,000	\$ 100,000	see note{3}
22 9	20	20	200	20	\$ 300,000	\$ 200,000	see note{3}
23 10	20	20	300	20	\$ 150,000	\$ 100,000	see note{3}
24 11	20	20	300	20	\$ 150,000	\$ 100,000	see note{3}
25 13	100	100	500{4}	--	\$ 500,000{5}	\$ 400,000{5}	see note{6}
26 15	40{7}	40	2,500{7}	--	\$ 500,000	\$ 400,000	see note{6}
27	30{7}	30	5,000{7}	--	\$ 500,000	\$ 400,000	see note{6}
28	20{7}	20	7,500{7}	--	\$ 500,000	\$ 400,000	see note{6}
29	10{7}	10	10,000{7}	--	\$ 500,000	\$ 400,000	see note{6}
30 16	--	--	---	--	\$1,500,000	\$1,000,000	
31 17	20	20	2,000	20	\$ 750,000	\$ 500,000	see note{3}
32 20	50	300	300	--	\$1,000,000{8}	\$ 500,000{8}	see note{9}
33 21	20	20{10}	200{11}	--	\$ 500,000	\$ 500,000	see note{12}
34 <u>34</u>	<u>20</u>	<u>20</u>	<u>200</u>	<u>20</u>	<u>\$2,000,000</u>	<u>\$1,000,000</u>	<u>see note {3}</u>

35 § 6. This act shall take effect on the thirtieth day after it shall have
 36 become a law.