STATE OF NEW YORK

3817

2025-2026 Regular Sessions

IN ASSEMBLY

January 30, 2025

Introduced by M. of A. WEPRIN -- read once and referred to the Committee on Insurance

AN ACT to amend the insurance law, in relation to requiring notification of governmental agencies and departments when certain construction insurance policies have lapsed or been canceled

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

Section 1. This act shall be known and may be cited as the "construction insurance notification act (CINA)".

§ 2. The insurance law is amended by adding a new section 3428-a to read as follows:

§ 3428-a. Cancellation of construction contracts; notification to governments that issue building permits. (a) Every insurer issuing contracts of insurance or policies covering activities within this state shall make an inquiry of all applicants for insurance contracts or policies to determine whether the purchase of the contract of insurance or policy is intended to be submitted to any governmental agency or department in order to obtain a New York state or local government permit for the erection, demolition, repairing, altering, painting, cleaning or pointing of a building, structure or edifice. If the inquiry is answered in the affirmative, the applicant shall provide the name, address, and website of such governmental department or agency. The truth and accuracy of information provided in every application for such insurance shall be sworn to or affirmed by the applicant.

(b) Every insurer that has issued a contract of insurance or policy to an insured who in accordance with subsection (a) of this section answers in the affirmative shall notify the governmental agency or department if the policy or contract of insurance has lapsed or has been canceled within the policy period. Such notice shall be given within ten days of the lapse or cancellation. Compliance is satisfied where timely notice

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

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is given in writing or electronically to the governmental department or agency identified in the insured's application for insurance.

(c) The failure to timely provide notice required by this section to the governmental department or agency shall result in the lapsed or canceled policy remaining in full force and effect for the term of the contract of insurance or policy.

§ 3. This act shall take effect on the ninetieth day after it shall have become a law.