

# STATE OF NEW YORK

3842

2025-2026 Regular Sessions

## IN ASSEMBLY

January 30, 2025

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

AN ACT to amend the insurance law and the financial services law, in relation to establishing the insuring our future act

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

1 Section 1. The insurance law is amended by adding a new article 92 to  
2 read as follows:

### ARTICLE 92

#### INSURING OUR FUTURE ACT

3 Section 9201. Short title.

4 9202. Definitions.

5 9203. Implementing climate leadership and community protection  
6 act targets for insurers.

7 9204. Reporting.

8 § 9201. Short title. This article shall be known and may be cited as  
9 the "insuring our future act".

10 § 9202. Definitions. In this article, unless the context or subject  
11 matter otherwise requires:

12 (a) "New fossil fuel project" means a project designed to facilitate  
13 the production of fossil fuels in excess of what is in development as of  
14 the effective date of this article, including production of new coal  
15 infrastructure, power plants, or mines. "New fossil fuel project" also  
16 includes projects that would support exploring new oil and gas fields or  
17 otherwise expanding oil and gas reserves. Examples of such projects  
18 include, but are not limited to, new wells, pipelines, terminals or gas  
19 power plants.

20 (b) "Department" means the department of financial services.

21 (c) "Superintendent" means the superintendent of the department of  
22 financial services.

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

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1 (d) "Precautionary principle" means an approach taken to regulation  
2 which mandates that when activities under consideration may lead to  
3 unacceptably serious or irreversible harm that is scientifically plausi-  
4 ble but uncertain, actions shall be taken to avoid or diminish that  
5 harm.

6 (e) "Guidance" means the department guidance for New York domestic  
7 insurers on managing the financial risks from climate change issued by  
8 the department of financial services.

9 § 9203. Implementing climate leadership and community protection act  
10 targets for insurers. (a) The department shall:

11 (1) Integrate the precautionary principle into its regulation and  
12 supervision of insurers by:

13 (A) incorporating measures to anticipate, prevent, or minimize the  
14 effects of climate risk and its adverse effects; and

15 (B) implementing cost-effective measures to address the climate risk  
16 exposure of insurers, even in the absence of full economic or scientific  
17 certainty;

18 (2) Align insurer investment and underwriting activities with  
19 science-based climate mitigation targets consistent with the emissions  
20 limits set in section 75-0107 of the environmental conservation law by  
21 prohibiting underwriting for any new fossil fuel project and directing  
22 insurers to phase out existing underwriting for exploration, extraction,  
23 processing, exporting, transporting, and any other significant action  
24 with respect to oil, natural gas, coal, or any byproduct thereof; and

25 (3) Develop a process for insurance companies to certify as a condi-  
26 tion of licensure that they meet certain criteria related to their  
27 investment and underwriting activity, and to review their certification.

28 (b) Within twelve months of the effective date of this article, the  
29 superintendent shall develop and implement criteria for certain insurers  
30 doing business in this state, as determined by the superintendent pursu-  
31 ant to subsection (f) of this section, to submit annually to the super-  
32 intendent a report disclosing:

33 (1) Such insurer's investments in:

34 (A) any company that derives ten percent or more of revenue from  
35 exploration, extraction, processing, exporting, transporting, and any  
36 other significant action with respect to oil, natural gas, coal, or any  
37 byproduct thereof;

38 (B) any project intended to facilitate or expand exploration,  
39 extraction, processing, exporting, transporting, and any other signif-  
40 icant action with respect to oil, natural gas, coal, or any byproduct  
41 thereof; and

42 (C) any project intended to construct any infrastructure related to  
43 projects under subparagraph (B) of this paragraph, such as wells, pipe-  
44 lines, terminals or refineries;

45 (2) The financed emissions from all of the insurer's investments in  
46 the previous reporting year;

47 (3) Information concerning such insurer's gross premium underwriting  
48 for:

49 (A) any company that derives ten percent or more of revenue from  
50 exploration, extraction, processing, exporting, transporting, and any  
51 other significant action with respect to oil, natural gas, coal, or any  
52 byproduct thereof;

53 (B) any project intended to facilitate or expand exploration,  
54 extraction, processing, exporting, transporting, and any other signif-  
55 icant action with respect to oil, natural gas, coal, or any byproduct  
56 thereof; and

1 (C) any project intended to construct any infrastructure related  
2 projects under subparagraph (B) of this paragraph, such as wells, pipe-  
3 lines, terminals or refineries;

4 (4) The insured emissions from all of the insurer's underwriting in  
5 the previous reporting year;

6 (5) Aggregated data on homeowners and renters premiums, claims, deduc-  
7 tibles and overall insurance exposures, at a census-tract level, in a  
8 manner that does not risk public disclosure of personally identifiable  
9 information of policyholders; and

10 (6) Any other information the department deems necessary to effec-  
11 tively implement and enforce any rule or regulation promulgated pursuant  
12 to this article.

13 (c) The criteria developed by the superintendent pursuant to  
14 subsection (b) of this section shall enable the superintendent to post  
15 the information reported to the superintendent pursuant to subsection  
16 (d) of this section on the department's website.

17 (d) Within twelve months of the effective date of this article, and  
18 annually thereafter, such insurers doing business in this state, as  
19 determined by the superintendent subject to subsection (f) of this  
20 section, shall submit a report to the superintendent disclosing the  
21 information set forth in subsection (b) of this section for the preced-  
22 ing calendar year.

23 (e) Within three months of receiving the report required pursuant to  
24 subsection (b) of this section, and annually thereafter, the superinten-  
25 dent shall compile and post the information in such report on the  
26 department's website.

27 (f) The superintendent may engage the services of attorneys, actuar-  
28 ies, accountants and other experts not otherwise a part of the super-  
29 intendent's staff, at the reporting insurer's expense, as shall be  
30 reasonably necessary to assist in the review of such insurer's filing  
31 under subsection (c) of this section. All persons so engaged shall be  
32 under the direction and control of the superintendent and shall act in a  
33 purely advisory capacity.

34 (g) The superintendent shall subject an insurer to the requirements of  
35 this section if:

36 (1) The insurer reports over one hundred million dollars on its annual  
37 schedule T filing with the National Association of Insurance Superinten-  
38 dents; or

39 (2) The insurer's activities or investments may expose such insurer to  
40 a heightened level of risk from the physical or transition effects of  
41 climate change; or

42 (3) The superintendent otherwise determines that disclosure would be  
43 in the public interest.

44 (h) The superintendent shall review and update the guidance at least  
45 once every two years and shall update the guidance to reflect develop-  
46 ments elsewhere in the world, with the intent of incorporating emerging  
47 best practices and ensuring the smooth functioning of New York insurance  
48 markets.

49 (i) The superintendent may adopt such regulations as the superinten-  
50 dent deems necessary to carry out the purposes of this article.

51 (j) The superintendent shall develop a process for foreign insurance  
52 companies to certify as a condition of licensure that they meet certain  
53 criteria related to their investment and underwriting activity, and to  
54 review their certification.

1 (k) Within five years of the effective date of this article, the  
2 superintendent shall require any insurer doing business in the state to  
3 certify that they have divested from:

4 (1) any company that derives ten percent or more of revenue from  
5 exploration, extraction, processing, exporting, transporting, and any  
6 other significant action with respect to oil, natural gas, coal, or any  
7 byproduct thereof;

8 (2) any project intended to facilitate or expand exploration,  
9 extraction, processing, exporting, transporting, and any other signif-  
10 icant action with respect to oil, natural gas, coal, or any byproduct  
11 thereof; and

12 (3) any project intended to construct any infrastructure related to  
13 projects under paragraph two of this subsection, such as wells, pipe-  
14 lines, terminals or refineries.

15 § 9204. Reporting. (a) Within twelve months of the effective date of  
16 this article, and once every two years thereafter, the superintendent  
17 shall submit a report to the legislature and the governor. The report  
18 shall also be made available to the public and posted on the depart-  
19 ment's website. The report shall disclose, for the preceding two calen-  
20 dar years, the department's:

21 (1) Efforts to implement the provisions of section nine thousand two  
22 hundred three of this article;

23 (2) Regulatory and supervisory actions taken, if any, to bolster the  
24 resilience of insurers to the physical impacts of climate change;

25 (3) Regulatory and supervisory actions planned, if any, to bolster the  
26 resilience of insurers to the physical impacts of climate change;

27 (4) The effects, if any, that the insurers' efforts to address climate  
28 risk have had on the affordability and availability of insurance for low  
29 income communities, communities of color and other traditionally under-  
30 served communities in the state, including communities vulnerable to  
31 bluelining as defined in paragraph fifty-six of subsection (a) of  
32 section one hundred seven of this chapter.

33 (b) Such report shall also summarize available information regarding:

34 (1) insurer and insurance market readiness for climate change and the  
35 energy transition;

36 (2) major sources of climate risk faced by New York insurers;

37 (3) any gaps related to climate risk that the department intends to  
38 address; and

39 (4) any legislative action that must be taken in order to allow the  
40 department to address climate risk.

41 § 2. Subsections (k) and (l) of section 102 of the financial services  
42 law are amended and a new subsection (m) is added to read as follows:

43 (k) To promote the reduction and elimination of fraud, criminal abuse  
44 and unethical conduct by, and with respect to, banking, insurance and  
45 other financial services institutions and their customers; [~~and~~]

46 (l) To educate and protect users of banking, insurance, and financial  
47 services products and services through the provision of timely and  
48 understandable information[+]; and

49 (m) To identify, supervise, regulate and manage exposure to risk in  
50 New York's banking, insurance and financial services industries, includ-  
51 ing risks related to climate change.

52 § 3. Subsection (a) of section 107 of the insurance law is amended by  
53 adding a new paragraph 56 to read as follows:

54 (56) "Community vulnerable to bluelining" means a census tract that  
55 meets the following:

1 (A) qualifies as a low-to-moderate income community under the criteria  
2 of the state's community reinvestment act or under the criteria defined  
3 in section two thousand three hundred fifty-five of this chapter or  
4 qualifies as a disadvantaged community as defined in section 75-0101 of  
5 the environmental conservation law and qualifies as a high climate risk  
6 community based either on the federal emergency management agency's risk  
7 index or other criteria defined in section two thousand three hundred  
8 fifty-five of this chapter; or

9 (B) qualifies based on other criteria developed by the department  
10 pursuant to section two thousand three hundred fifty-five of this chap-  
11 ter.

12 § 4. The insurance law is amended by adding two new sections 2354 and  
13 2355 to read as follows:

14 § 2354. Protecting communities from bluening. (a) The superintendent  
15 shall have the authority to place a moratorium on non-renewals in under-  
16 served communities that have been affected by a climate disaster in the  
17 last year.

18 (b) No insurer shall refuse to issue or renew or shall cancel a policy  
19 of property and casualty insurance based solely on the insured residing  
20 in an area that is designated as a community vulnerable to bluening  
21 pursuant to paragraph fifty-six of subsection (a) of section one hundred  
22 seven or section two thousand three hundred fifty-five of this chapter.  
23 Such prohibition shall not preclude an insurer from refusing to issue or  
24 renew or from canceling such policies based on sound underwriting and  
25 actuarial principles reasonably related to actual or anticipated loss  
26 experience subject to the applicable provisions of this section and of  
27 section three thousand four hundred twenty-five of this chapter.

28 (c) No insurer shall refuse to issue or renew or shall cancel a policy  
29 of property and casualty insurance based solely on the insured's source  
30 of income, including the use of housing vouchers.

31 § 2355. Identification of communities vulnerable to bluening. (a) In  
32 addition to those communities which qualify as communities vulnerable to  
33 bluening pursuant to paragraph fifty-six of subsection (a) of section  
34 one hundred seven of this chapter, the department shall establish crite-  
35 ria and a process to identify new communities vulnerable to bluening.

36 (1) Such criteria shall identify communities vulnerable to bluening  
37 based on geographic, public health, environmental hazard, and socioeco-  
38 nomical criteria, which shall include, but are not limited to:

39 (A) areas burdened by cumulative environmental pollution and other  
40 hazards that can lead to negative public health effects;

41 (B) areas with concentrations of people that are of low income, high  
42 unemployment, high rent burden, low levels of home ownership, low levels  
43 of educational attainment, or members of groups that have historically  
44 experienced discrimination on the basis of race or ethnicity;

45 (C) areas vulnerable to the impacts of climate change such as flood-  
46 ing, storm surges, and urban heat island effects; and

47 (D) any additional criteria that the department may identify.

48 (2) Before finalizing the criteria for identifying communities vulner-  
49 able to bluening pursuant to paragraph one of this subsection, the  
50 department shall publish draft criteria and a draft list of communities  
51 vulnerable to bluening and make such information available on its  
52 website.

53 (b) The department shall annually review the criteria, process, and  
54 methods used to identify communities vulnerable to bluening and shall  
55 modify such methods to incorporate new data and scientific findings.

1 (c) The department shall regularly review the identities of communi-  
2 ties vulnerable to bluelining and modify such identities as needed.

3 § 5. Subsection (d) of section 3425 of the insurance law is amended by  
4 adding a new paragraph 4 to read as follows:

5 (4) With respect to cancellation of policies in communities vulnerable  
6 to bluelining pursuant to paragraph fifty-six of subsection (a) of  
7 section one hundred seven or section two thousand three hundred fifty-  
8 five of this chapter, in addition to the requirements contained in para-  
9 graph one of this subsection, unless the insurer, at least one year in  
10 advance of the end of the policy period, mails or delivers to the named  
11 insured, at the address shown in the policy, a written notice of its  
12 intention not to renew a covered policy, or to condition its renewal  
13 upon change of limits or elimination of any coverages, the named insured  
14 shall be entitled to renew the policy upon timely payment of the premium  
15 billed to the insured for the renewal.

16 § 6. The insurance law is amended by adding a new section 215 to read  
17 as follows:

18 § 215. Rating and affordability improvement study. (a) The department  
19 shall conduct a study on methods for keeping property and casualty  
20 insurance lines affordable for communities vulnerable to bluelining,  
21 including the consideration of homeowner mitigation in premium discounts  
22 and non-renewal and cancellations decisions, assistance programs for  
23 low-income policyholders similar to those proposed for the national  
24 flood insurance program, and a tax on homeowners insurance lines that  
25 declines into a rebate based on income.

26 (b) Within twelve months of the effective date of this section, the  
27 department shall issue a report on their findings which shall provide  
28 recommendations for regulatory and legislative actions relating to  
29 affordable insurance lines in communities vulnerable to bluelining.

30 § 7. This act shall take effect immediately.