STATE OF NEW YORK

3147

2025-2026 Regular Sessions

IN SENATE

January 23, 2025

Introduced by Sens. COONEY, SCARCELLA-SPANTON, WEBB -- 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 the sale of a non-indemnity legal service plan

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

Section 1. Subsection (b) of section 1101 of the insurance law is amended by adding a new paragraph 9 to read as follows:

(9)(A) Notwithstanding the foregoing, the sale of a non-indemnity legal service plan shall not constitute doing an insurance business in this state.

(B) For purposes of this paragraph, a non-indemnity legal service plan includes any plan, regardless of the benefits, where legal services are available to members, or their dependents, through an organization that contracts directly with independent attorneys for the provision of the legal services and the organization pays the independent attorney via a capitated arrangement and the independent attorney receives no additional payment or reimbursement from the organization for specified legal services or specified legal expenses.

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

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

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