

STATE OF NEW YORK

6568

2025-2026 Regular Sessions

IN SENATE

March 17, 2025

Introduced by Sen. BAILEY -- 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 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:

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

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

5 § 3428-a. Cancellation of construction contracts; notification to
6 governments that issue building permits. (a) Every insurer issuing
7 contracts of insurance or policies covering activities within this state
8 shall make an inquiry of all applicants for insurance contracts or poli-
9 cies to determine whether the purchase of the contract of insurance or
10 policy is intended to be submitted to any governmental agency or depart-
11 ment in order to obtain a New York state or local government permit for
12 the erection, demolition, repairing, altering, painting, cleaning or
13 pointing of a building, structure or edifice. If the inquiry is answered
14 in the affirmative, the applicant shall provide the name, address, and
15 website of such governmental department or agency. The truth and accura-
16 cy of information provided in every application for such insurance shall
17 be sworn to or affirmed by the applicant.

18 (b) Every insurer that has issued a contract of insurance or policy to
19 an insured who in accordance with subsection (a) of this section answers
20 in the affirmative shall notify the governmental agency or department if
21 the policy or contract of insurance has lapsed or has been canceled
22 within the policy period. Such notice shall be given within ten days of
23 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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1 is given in writing or electronically to the governmental department or
2 agency identified in the insured's application for insurance.

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

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