

# STATE OF NEW YORK

8583--C

2025-2026 Regular Sessions

## IN SENATE

November 17, 2025

Introduced by Sens. KAVANAGH, KRUEGER, MAY -- read twice and ordered printed, and when printed to be committed to the Committee on Rules -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- recommitted to the Committee on Insurance in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the insurance law, in relation to requiring property/casualty insurance companies to submit certain zip code-level data to the department of financial services; to amend the insurance law, in relation to authorizing a premium discount to policyholders who demonstrate certain mitigation actions; to amend the insurance law, in relation to the timing of cancellation and nonrenewal notices for certain insurance policies; and to amend the insurance law, in relation to increasing membership of the board governing the New York property insurance underwriting association and to requiring a quadrennial report on the activities of such association

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 section 4122  
2 to read as follows:  
3 § 4122. Reporting requirements for property/casualty insurance compa-  
4 nies. Every property/casualty insurance company doing business in this  
5 state shall annually submit the following information to the department  
6 with zip code-level data:  
7 (a) nonrenewal rates;  
8 (b) nonpayment cancellation rates;  
9 (c) other cancellation rates;  
10 (d) claim frequency rates;  
11 (e) average claim amounts;

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

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1 (f) paid loss ratios; and

2 (g) average premiums.

3 § 2. The insurance law is amended by adding a new section 2346-b to  
4 read as follows:

5 § 2346-b. Homeowners insurance or property/casualty insurance; miti-  
6 gation action. 1. For the purposes of this section, the following terms  
7 shall have the following meanings:

8 (a) "community-level mitigation action" means an actuarially appropri-  
9 ate mitigation action as demonstrated by a community or neighborhood-  
10 level designation or certification or as undertaken by a government  
11 entity; and

12 (b) "property-specific mitigation action" means an actuarially appro-  
13 priate mitigation action that includes a verification and certification  
14 process.

15 2. The superintendent shall provide for an actuarially appropriate  
16 reduction in the rates of homeowners insurance premiums and  
17 property/casualty insurance premiums applicable to residential real  
18 property for policyholders who can demonstrate that property-specific  
19 mitigation actions have been undertaken on the property or community-  
20 level mitigation actions have been undertaken in sufficient proximity to  
21 the property to reduce the risk of loss from a natural disaster. The  
22 superintendent shall by regulation establish a process for policyholders  
23 to demonstrate such mitigation actions have occurred.

24 3. An insurer shall post on its public website readily accessible  
25 information on the premium discounts, incentives or other premium  
26 adjustments that are available to policyholders of homeowners insurance  
27 or property/casualty insurance applicable to residential real property  
28 who undertake property-specific mitigation actions or provide evidence  
29 of community-level mitigation actions. The website shall identify, as  
30 applicable:

31 (a) Property-specific mitigation actions for the policyholder to  
32 undertake and community-level mitigation actions, as determined by the  
33 superintendent, that could result in a discount, incentive, or other  
34 premium adjustment; and

35 (b) The amount of the discount, incentive, or other premium adjustment  
36 associated with each action.

37 4. An insurer that issues or delivers in this state a policy that  
38 insures loss of or damage to real property shall specify the nature and  
39 the total percentage amount reduction of each discount applied to the  
40 policy on the declarations page and specify the nature and percentage of  
41 all available discounts that the insurer offers on the policy in a  
42 conspicuous note entitled "DISCOUNT INFORMATION" included with the poli-  
43 cy.

44 5. An insurer shall report the following information to the super-  
45 intendent, in a form prescribed by the superintendent, by April first of  
46 each year:

47 (a) a list of all discounts offered to insureds during the preceding  
48 calendar year, including the nature of the discounts and the discount  
49 percentage amounts; and

50 (b) the number of insureds who received each discount during the  
51 preceding calendar year and the zip codes in which the insured proper-  
52 ties are located.

53 6. A policyholder or applicant for a policy of insurance whose appli-  
54 cable mitigation discount related to property-specific or community-lev-  
55 el mitigation is inaccurate and provides evidence of the property-spe-  
56 cific or community-level mitigation action may appeal directly to the

1 insurer. The insurer shall notify the policyholder or applicant in writ-  
2 ing of the right to appeal the applicable mitigation discount when the  
3 discount is provided to the policyholder or applicant as required by  
4 this section. If the policyholder or applicant appeals the applicable  
5 discount, the insurer shall acknowledge receipt of the appeal in writing  
6 within ten calendar days after receipt of the appeal. The insurer shall  
7 respond to the appeal in writing with a reconsideration and decision  
8 within thirty calendar days after receiving the appeal. If an appeal is  
9 denied, the insurer shall, upon request by the superintendent, forward a  
10 copy of the appeal and the insurer's response, to the superintendent.

11 § 3. Subsections 1 and 2 of section 2346 of the insurance law,  
12 subsection 1 as amended by chapter 454 of the laws of 1994 and  
13 subsection 2 as amended by chapter 637 of the laws of 1993, are amended  
14 to read as follows:

15 1. [~~The superintendent may provide for a~~] An insurer shall offer at  
16 least one discount, subject to approval by the superintendent, that  
17 provides an actuarially appropriate reduction in the rates of fire  
18 insurance premiums or the fire insurance component of homeowners insur-  
19 ance premiums applicable to residential real property for fire  
20 prevention or mitigation improvements, such as when the real property is  
21 equipped with smoke detecting alarm devices, approved sprinkler systems,  
22 or fire extinguishers[~~, should a statistically valid study of insurer~~  
23 ~~experience indicate an actuarially significant decrease in losses in the~~  
24 ~~mentioned circumstances. The reductions provided for shall be~~  
25 ~~proportionally related to the actuarially calculable decrease in losses~~  
26 ~~in the mentioned circumstances~~].

27 2. [~~The superintendent may provide for a~~] (a) An insurer shall offer  
28 at least one discount that provides an actuarially appropriate reduction  
29 in the rates of homeowners insurance premiums applicable to residential  
30 real property for each of the following categories of improvements:

31 (1) theft prevention or mitigation improvements, such as when the real  
32 property is equipped with dead-bolt locks[~~, should a statistically valid~~  
33 ~~study of insurer experience indicate an actuarially significant decrease~~  
34 ~~in losses attributable to the use of such a device. The superintendent~~  
35 ~~shall by regulation establish standards for dead-bolt locks for which a~~  
36 ~~reduction may be approved. The reductions provided for shall be propor-~~  
37 ~~tionally related to the actuarially calculable decrease in losses~~  
38 ~~attributable to the use of such a device~~] or a security system; and

39 (2) water damage prevention or mitigation improvements, such as a  
40 smart water monitor and shutoff device.

41 (b) An insurer shall offer a discount that provides an actuarially  
42 appropriate reduction in the rates of homeowners insurance premiums  
43 applicable to residential real property for the installation of a newly  
44 constructed roof or a roof replacement and for each of the following  
45 wind damage mitigation improvements to the property:

46 (1) improvements made to roof coverings, such as tiles or shingles,  
47 for wind-resistance;

48 (2) roof deck attachments;

49 (3) secondary water resistance, including sealing and strengthening a  
50 roof deck, roof and gable end vents or covers, and improvements made for  
51 water intrusion resistance of attic vents; and

52 (4) roof to wall connections, including toe nails, clips, strapping,  
53 or ties.

54 (c) To be considered for any discount provided for in paragraph (b) of  
55 this subsection, an insurable property shall be certified as constructed  
56 in accordance with any building code applicable in this state or New

1 York city, as amended from time-to-time, or such other standards as  
2 approved by the superintendent.

3 § 4. Paragraphs 12 and 13 of subsection (b) of section 2305 of the  
4 insurance law, as amended by section 9 of part AAA of chapter 59 of the  
5 laws of 2017, are amended and a new paragraph 14 is added to read as  
6 follows:

7 (12) gap insurance; [~~and~~]

8 (13) private passenger automobile insurance, except as provided in  
9 section two thousand three hundred fifty of this article[~~7~~]; and

10 (14) homeowners insurance or property/casualty insurance applicable to  
11 residential real property as it relates to the inclusion of property-  
12 specific mitigation actions and community-level mitigation actions in  
13 the calculation of such rates,

14 § 5. Paragraphs 1 and 2 of subsection (d) of section 3425 of the  
15 insurance law are amended to read as follows:

16 (1) Unless the insurer, at least [~~forty-five~~] ninety but not more than  
17 [~~sixty~~] one hundred twenty days in advance of the end of the policy  
18 period for nonrenewal or conditional renewal or the effective date for  
19 cancellation, mails or delivers to the named insured, at the address  
20 shown in the policy, a written notice of its intention not to renew a  
21 covered policy, [~~or~~] to condition its renewal upon change of limits or  
22 elimination of any coverages, or to cancel the policy, the named insured  
23 shall be entitled to renew the policy upon timely payment of the premium  
24 billed to the insured for the renewal. The specific reason or reasons  
25 for nonrenewal or conditioned renewal shall be stated in or shall accom-  
26 pany the notice. The specific reason or reasons for cancellation as  
27 provided in subsection (c) of this section shall be stated in or shall  
28 accompany the notice. This paragraph shall not apply when the named  
29 insured, an agent or broker authorized by the named insured, or an  
30 insurer of the named insured, has mailed or delivered written notice to  
31 the insurer that the policy has been replaced or is no longer desired.

32 (2) If an insurer has the right to cancel a policy it may, in lieu of  
33 cancellation, condition continuation of such policy upon change of  
34 limits or elimination of any coverage not required by law, if written  
35 notice of such intention is mailed or delivered to the insured at the  
36 address shown in the policy at least [~~twenty~~] ninety days prior to the  
37 effective date of such action.

38 § 6. The opening paragraph of subsection (c) of section 3426 of the  
39 insurance law, as amended by chapter 235 of the laws of 1989, is amended  
40 to read as follows:

41 After a covered policy has been in effect for sixty days unless  
42 cancelled pursuant to subsection (b) of this section, or on or after the  
43 effective date if such policy is a renewal, no notice of cancellation  
44 shall become effective until [~~fifteen~~] ninety days after written notice  
45 is mailed or delivered to the first-named insured and to such insured's  
46 authorized agent or broker, and such cancellation is based on one or  
47 more of the following:

48 § 7. Paragraphs 3 and 4 of subsection (a) of section 3462 of the  
49 insurance law, as added by section 1 of part BB of chapter 56 of the  
50 laws of 2024, are amended and a new paragraph 5 is added to read as  
51 follows:

52 (3) The level or source of income of the tenants of the residential  
53 building or the shareholders of a cooperative housing corporation; [~~or~~]

54 (4) Whether such residential building is owned by a limited-equity  
55 cooperative; owned by a public housing authority; or owned by a cooper-  
56 ative housing corporation subject to the provisions of article two,

1 article four, article five or article eleven of the private housing  
2 finance law~~[+]~~; or

3 (5) The residential building is located in a disadvantaged community,  
4 as identified pursuant to section 75-0111 of the environmental conserva-  
5 tion law. An insurer who cancels, refuses to issue, refuses to renew or  
6 increase the premium of a policy, or excludes, limits, restricts, or  
7 reduces coverage under a policy for a residential building located in a  
8 disadvantaged community shall provide actuarial information to the  
9 insured or applicant to support such action.

10 § 8. Subsection (b) of section 5402 of the insurance law, as amended  
11 by chapter 42 of the laws of 1996, is amended to read as follows:

12 (b) The association shall be governed by a board of [~~thirteen~~] twen-  
13 ty-three directors, ten of whom shall be elected annually by cumulative  
14 voting by the members of the association, whose votes in such election  
15 shall be weighted in accordance with each member's net direct premiums  
16 written during the preceding calendar year. An additional six directors  
17 shall be appointed annually by the legislature, two by the temporary  
18 president of the senate, two by the speaker of the assembly, one by the  
19 minority leader of the senate and one by the minority leader of the  
20 assembly. Four directors shall be appointed annually by the governor and  
21 two of such directors shall be representatives of consumers. The remain-  
22 ing three directors shall be appointed annually by the superintendent  
23 and be duly licensed insurance agents or brokers representative of broad  
24 segments of the public obtaining insurance through the association.

25 § 9. Subsection (g) of section 5402 of the insurance law, as amended  
26 by chapter 182 of the laws of 2023, is amended to read as follows:

27 (g) In addition to fire insurance, extended coverage, coverage for  
28 additional perils and homeowners insurance should the same be made  
29 available through the association in accordance with a determination of  
30 necessity pursuant to section five thousand four hundred twelve of this  
31 article, the association may offer broad form coverage to applicants  
32 seeking to insure real property at fixed locations of this state, or the  
33 tangible personal property located thereon. The association may offer  
34 broad form coverage until June thirtieth, two thousand twenty-eight. On  
35 or before October first, two thousand twenty-seven the superintendent  
36 shall require the association to report to the superintendent as to the  
37 number of policies written pursuant to this subsection and paragraph  
38 three of subsection (f) of section five thousand four hundred five of  
39 this article, and any other information the superintendent may require.  
40 On or before January first, two thousand twenty-eight, and every four  
41 years thereafter, the superintendent shall report to the governor and  
42 the legislature regarding the number of policies issued pursuant to this  
43 section and such paragraph, the geographic location of such policies,  
44 the types of policies offered, the coverage limits of such policies,  
45 risk reduction investments, information on the financial standing of the  
46 association and [~~shall include~~] recommendations as to the continuation  
47 of such insurance offerings.

48 § 10. This act shall take effect on the one hundred eightieth day  
49 after it shall have become a law. Effective immediately, the addition,  
50 amendment and/or repeal of any rule or regulation necessary for the  
51 implementation of this act on its effective date are authorized to be  
52 made and completed on or before such effective date.