STATE OF NEW YORK

10364

IN ASSEMBLY

March 2, 2026

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

AN ACT to amend the insurance law, in relation to the use of telematics systems by insurers

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

Section 1. Subsection (a) of section 2313 of the insurance law is amended and a new subsection (u) is added to read as follows:

(a) In this article, "rate service organization" means a person or any other entity which makes or files rates as permitted by this article, or which assists insurers in rate making or filing by collecting, compiling and furnishing loss or expense statistics, or by recommending rates or rate information, or which inspects risks, tests appliances, formulates rules or establishes standards, as such activities relate to rate making or to administration of rates. **It shall also include any third-party developers or vendors of telematics systems as such term is defined in this section.** It shall include a person or entity which prepares and files policy forms and endorsements on behalf of insurers. It shall not include a joint underwriting association under section two thousand three hundred seventeen of this article, or any employee of an insurer, or in the case of insurers under common control or management an employee of any such insurer or their manager, nor shall it include actuaries, certified public accountants, attorneys or other professionals who in their respective vocations may advise insurers on rate questions.

(u) For the purposes of this article a telematics system shall mean technology which monitors, stores and transmits information such as motor vehicle location, driver behavior, engine performance and motor vehicle activity. Third-party developers or vendors of telematics systems shall file their model or algorithm with the superintendent.

§ 2. The insurance law is amended by adding a new section 2304-a to read as follows:

§ 2304-a. Telematics systems. (a) Any insurer which offers or utilizes telematics systems, as defined in section two thousand three hundred

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

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thirteen of this article, and any third-party developer and vendor of telematics systems, shall:

(1) provide to the superintendent an explanation of how the factors used in the model or algorithm are connected to risk and demonstrate that each factor used is related to risk of loss and incorporated in a manner that directly reflects that relationship;

(2) publicly disclose scoring methodologies;

(3) report to the superintendent on what testing was done to ensure that the telematics system does not result in discrimination against any protected classes or to reduce disparate impact on such classes resulting from use of the telematics system; and

(4) allow consumers to request access to the data collected by a telematics system in a manner and form prescribed by the superintendent and provide the data in a readable format.

(b) No insurer or third-party developer or vendor of telematics systems shall use any data collected for any purpose other than underwriting and rating decisions.

(c) No insurer or third-party developer or vendor of telematics systems shall:

(1) unfairly discriminate based on race, color, national or ethnic origin, religion, sex, sexual orientation, disability, gender identity, or gender expression; or

(2) use any external consumer data and information sources, nor any algorithms or predictive models that use external consumer data and information sources, in a way that unfairly discriminates based on race, color, national or ethnic origin, religion, sex, sexual orientation, disability, gender identity, or gender expression.

(d) In addition to such powers as may otherwise be prescribed by this article, the superintendent is hereby authorized and empowered to promulgate such rules and regulations as may in the judgment of the superintendent be consistent with the purposes of this article or appropriate for the effective administration of this article.

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