STATE OF NEW YORK

10524--A

IN ASSEMBLY

March 6, 2026

Introduced by M. of A. LUNSFORD, STECK, GLICK -- read once and referred to the Committee on Insurance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the insurance law, in relation to motor vehicle insurance fairness; and to repeal section 2331 of the insurance law relating to motor vehicle insurance rates based on age, sex or marital status

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

Section 1. Section 2331 of the insurance law is REPEALED and a new section 2331 is added to read as follows:

§ 2331. Motor vehicle insurance fairness. (a) Definition. For purposes of this section, the term "proceeding" shall mean the filing of any rate, rating plan, rating rule or rating manual and any rulemaking conducted pursuant to this section.

(b) Prohibitions; refusal to insure. (1) No insurer shall refuse to issue or renew a policy or contract of motor vehicle insurance based in whole or in part on any of the prohibited underwriting and rating factors set forth in subsection (c) of this section, or use such factors to determine the terms of coverage or placement in a particular affiliate within an insurance company group.

(2) Any schedule of rates, rating plan, rating rule, rating manual or any other method of establishing the premium to be paid by a motor vehicle insurance policyholder or covered driver, and the modification thereof, based in whole or in part on any of the prohibited underwriting and rating factors set forth in subsection (c) of this section shall be deemed unfairly discriminatory.

(c) Prohibited factors. No filing of a rate, rating plan, rating rule or rate manual applicable to motor vehicle insurance shall be approved by the superintendent if the filing is based, in whole or in part, on the following factors:

(1) any criteria protected under section two hundred ninety-six of the executive law;

(2) age, except as provided for under subsection (d) of this section;

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

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(3) employment or occupation, except as it pertains to whether a vehicle is being used for a business purpose and the nature of such use;
(4) education level attained;
(5) home ownership or property value;
(6) consumer credit information or any other credit-based score;
(7) the absence of prior insurance;
(8) the amount or provider of prior insurance coverage;
(9) any measure of a consumer's price elasticity of demand;
(10) the zip code, or any territorial designation geographically smaller than a zip code, in which the policyholder resides, except as it pertains to the rate of auto-related crimes, such as theft and vandalism, or accident rates in such zip code or territorial designation;
(11) any data related to a consumer used to justify a rate increase where such data is more than two years old; or
(12) the level of income or wealth.
(d) Years of driving experience. Notwithstanding paragraph two of subsection (c) of this section, an insurer may consider the number of years of driving experience of an applicant for the purposes of underwriting and rating.
(e) Territory or any other geographical characteristic. Territory or any other geographical characteristic shall not be considered for the purposes of underwriting a policy or contract of motor vehicle insurance, including, but not limited to, any decision to sell, refuse to sell, cancel, or non-renew. Notwithstanding paragraph ten of subsection (c) of this section, an insurer may, for rating purposes, use a territorial factor that is not otherwise prohibited under this section if the territorial factor does not have more than a ten percent impact on the premium that would otherwise be charged.
(f) Prohibited business practices. Every insurer issuing or delivering a policy or contract of motor vehicle insurance in the state of New York shall demonstrate that its marketing, underwriting, rating, claims handling, fraud investigations, and any algorithm or model used for those such business practices do not disparately impact any group of customers based on race, color, national or ethnic origin, religion, sex, sexual orientation, disability, gender identity, or gender expression.
(g) Prior approval of rates. (1) No rate shall be approved by the superintendent or remain in effect that is excessive, inadequate, unfairly discriminatory, or otherwise in violation of this section. In considering whether a rate is excessive, inadequate, or unfairly discriminatory, no consideration shall be given to the degree of competition, and the superintendent shall consider whether such rate mathematically reflects the insurance company's investment income.
(2) Every insurer issuing or delivering a policy or contract of motor vehicle insurance that desires to change any rate shall file a complete rate application with the superintendent. A complete rate application shall include all data necessary to justify the proposed rate and such other information as the superintendent may require. The applicant shall have the burden of proving that the requested rate change is justified and meets the requirements of this section.
(3) The superintendent shall notify the public of any application by an insurer for a rate change. The application shall be deemed approved sixty days after such public notice unless:
(i) the superintendent disapproves of the application;
(ii) a consumer or such consumer's representative requests a hearing within forty-five days after such public notice and the superintendent

grants the hearing, or the superintendent determines not to grant the hearing and issues written findings in support of such decision; or

(iii) the superintendent, on the superintendent's own motion, determines to hold a hearing. If the proposed rate adjustment exceeds five percent of the then-applicable rate for personal motor vehicle insurance or ten percent for commercial motor vehicle insurance, then the superintendent shall hold a hearing upon a timely request. If the application is incomplete or otherwise subject to disapproval, then the superintendent may extend the application review process by up to sixty days with the agreement of the applicant.

(h) Right of the public to inspect rates. All information provided to the superintendent pursuant to this section shall be available for public inspection on the department's website, without the need to pay for access or login credentials. The department shall establish on their website a centralized online database to allow members of the public to access and view any rate increase applications submitted by insurers. Such database shall include, but not be limited to, the ability to search for specific insurance company rate applications, the ability to view public comments, and an option for individuals to submit their own feedback.

(i) Right of the public to request permission to intervene. Any person may request permission from the superintendent to intervene in any proceeding permitted or established pursuant to this section. The superintendent shall grant such permission if such intervention is likely to contribute to the development of a complete record or is otherwise fair and in the public interest.

(j) Rules. (1) The department shall, no later than ninety days from the date this section takes effect, adopt rules and regulations that guide the filing and approval of rates, rules, and forms pursuant to this section. The superintendent shall develop formulas for evaluating rates and any rules or forms that impact rates that will be used to determine whether to approve or disapprove any filing.

(2) Until the rules and regulations described in paragraph one of this subsection are implemented, no insurer may file for a change in any rate, rule, or form that would result in a rate increase. If, before the adoption of the rules and regulations described in paragraph one of this subsection, an insurer asserts that it would not be able to earn a reasonable rate of return without an increase, then such insurer may request a hearing. If it is determined after a hearing that a rate increase is needed to earn a reasonable rate of return, then the insurer shall be allowed to make a change that affords it the minimum increase required to earn a reasonable rate of return.

(3) The department shall, no later than one hundred eighty days from the effective date of this section, adopt rules and regulations that implement the testing of insurer business practices for compliance with this section.

(k) Fees. All insurers of motor vehicle insurance subject to the provisions of this section shall be assessed a fee of five hundredths of one percent of their total earned premiums from the prior calendar year. Such fee shall be payable to the department no later than July first of each calendar year and shall be used by the department to implement the provisions of this section.

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