

STATE OF NEW YORK

10773

IN ASSEMBLY

April 1, 2026

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

AN ACT to amend the insurance law, in relation to authorizing residential cooperative corporations and tenant's associations to offer health insurance

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

1 Section 1. Paragraph 1 of subsection (c) of section 4235 of the insurance law is amended by adding two new paragraphs (O) and (P) to read as follows:

2 (O) A policy issued to a residential cooperative corporation organized
3 under the business corporation law or cooperative corporations law of
4 the state of New York, for the benefit of its shareholders and their
5 dependents, provided that:

6 (i) The cooperative has been in active existence for not less than two
7 years prior to the issuance of such policy;

8 (ii) The cooperative is not formed or maintained solely for the
9 purpose of obtaining insurance; and

10 (iii) The policy is issued by an insurer authorized to do the business
11 of accident and health insurance in this state.

12 (P) A policy issued to a tenant's association which such association
13 has been organized and maintained in good faith for purposes principally
14 other than that of obtaining insurance and have been in active existence
15 for at least two years.

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

18 (9) Notwithstanding the foregoing, a residential cooperative corpo-
19 ration or tenant's association that contracts with an authorized insurer
20 to provide group accident and health insurance to its members and their
21 dependents pursuant to paragraphs (O) and (P) of paragraph one of
22 subsection (c) of section four thousand two hundred thirty-five of this
23 chapter shall not be deemed to be doing an insurance business solely by
24 reason of sponsoring such coverage.
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EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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1 § 3. The superintendent of financial services shall promulgate such
2 rules and regulations as may be necessary to implement the provisions of
3 this act, including but not limited to standards relating to solvency
4 protection, nondiscrimination, disclosure of benefits, and reporting
5 requirements applicable to residential cooperative health groups and
6 tenant's association health groups.

7 § 4. This act shall take effect on the first of January next succeed-
8 ing the date on which it shall have become a law. Effective immediately,
9 the addition, amendment and/or repeal of any rule or regulation neces-
10 sary for the implementation of this act on its effective date are
11 authorized to be made and completed on or before such date.